

JPRS 77554

10 March 1981

West Europe Report

No. 1712



FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets {} are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available from Bell & Howell, Old Mansfield Road, Wooster, Ohio 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

10 March 1981

WEST EUROPE REPORT

No. 1712

CONTENTS

THEATER FORCES

FEDERAL REPUBLIC OF GERMANY

- Ehmke on NATO, TNF, Relations With United States
(Horst Ehmke Interview; DIE WELT, 23 Jan 81) 1

ENERGY ECONOMICS

TURKEY

- Nusaybin Oil Prospects Explored
(8. GUN, 18 Jan 81) 7

COUNTRY SECTION

CYPRUS

- Raif Denktas Forms Group Within National Unity Party
(BOZKURT, 17, 20 Jan 81, HALKIN SESI, 18 Jan 81) 13
- Forms Kemalist Revolutionary Opposition Group, by
Raif Denktas
Cagatay Refuses To Resign
Denktas Pledges To Continue Opposition

DENMARK

- Opposition to EC Membership Increases in Greenland
(FRANKFURTER ALLGEMEINE, 31 Jan 81) 18
- Economics Concern Rises as Greenland Vote on EC Nears
(BERLINGSKE TIDENDE, 10, 15, 23 Jan 81; INFORMATION,
29 Jan, 3 Feb 81
- Official Recommends Giving Foreign Aid, by Henning Rohde
Greenlander Economy Is Strong
Greenland Gets Tax System, by Rolf Bagger
Dependency on SAS Remains, by Rolf Bagger
Anger Over EC Fishing Rights
EC Referendum Vote Advanced, by Philip Lauritzen

FEDERAL REPUBLIC OF GERMANY

| | |
|--|----|
| Bundesbank's Tight Money Policy Under Increasing Attack (DER SPIEGEL, 16 Feb 81) | 30 |
| Funding for FRG-French Combat Tank Threatened (DER SPIEGEL, 26 Jan 81) | 33 |
| Implications of 'Tornado' Affair for Defense, Apel (DER SPIEGEL, 2 Feb 81) | 35 |
| Genscher Meets With FDP Opposition on Arms Export Policy (DER SPIEGEL, 2 Feb 81) | 44 |
| Debate Continues on Easing Arms Export Restrictions (WIRTSCHAFTSWOCHE, 6 Feb 81) | 47 |
| Arms Industry Leaders Comment Views of Union Leader | |
| Poehl on Interest Rate, Wages, Export Changes (Karl Otto Poehl Interview; VORWAERTS, 22 Jan 81) | 53 |
| CDU Expects Coalition To Collapse Soon (DER SPIEGEL, 16 Feb 81) | 57 |
| Trade Unions Oppose Coalition Agreement on Codetermination (DER SPIEGEL, 2 Feb 81) | 60 |
| CDU's Von Weizsaecker on Berlin Problems, Politics (Von Weizsaecker Interview; DIE ZEIT, 23 Jan 81) | 63 |

ITALY

| | |
|--|----|
| Capria Comments on North-South Economic, Social Gap (Nicola Capria; AVANTI!, 17 Jan 81) | 70 |
| Decline in CGIL Membership in Milan Reported (LA REPUBBLICA, 17 Jan 81) | 73 |
| CGIL Membership Figures Analyzed (Claudio Pontacolone; RASSEGNA SINDACALE, 22 Jan 81) | 75 |

PORTUGAL

| | |
|---|----|
| Factions, Trends, Strategies in Power Struggle for Control of PSD (Paulo Portas; TEMPO, 22 Jan 81) | 77 |
|---|----|

SWEDEN

| | |
|--|----|
| Ullsten on Sweden in Europe, Reagan Foreign Policy (Ullsten Interview; FRANKFURTER ALLGEMEINE, 9 Feb 81) | 82 |
|--|----|

TURKEY

| | |
|--|----|
| Sirmen Examines Turkish-Greek Relations, NATO (Ali Sirmen; CUMHURIYET, 15 Feb 81)..... | 85 |
| Turkmen Blasts Greek Proposal on U.S. Aid (CUMHURIYET, 14 Feb 81) | 87 |
| Uluslu Evaluates Multilateral Foreign Policy (Sedat Ergin; CUMHURIYET, 29 Jan 81) | 88 |
| Evren Viewed as Threat to People (ROJA NU, Jan-Feb 81) | 90 |

EHMKE ON NATO, TNF, RELATIONS WITH UNITED STATES

Bonn DIE WELT in German 23 Jan 81 p 4

[Interview with Horst Ehmke, chairman of the SPD's U.S.A. Working Group, by Peter Boenisch: "Ehmke on the New Crowd in Washington: They Are Professionals"; date and place of interview not given]

[Text] The SPD presents a contradictory image not only in national but also in international politics. The chancellor emphasizes his good relations with the new U.S. administration. But a different melody emanates from the left wing. What kind of foreign policy does the SPD intend to follow? Peter Boenisch interviews Horst Ehmke, chairman of the SPD's U.S.A. Working Group.

WELT: Ronald Reagan has been the new U.S. president for a few days. You, Herr Ehmke, in your capacity as chairman of the SPD's U.S.A. Working Group, have been to Washington to make initial contact with the Reagan team. Following this visit, what are your recommendations to your party colleagues?

Ehmke: The presidential succession in the United States must be the occasion for an overdue stock-taking within the alliance and for a new start to closer cooperation.

WELT: That sounds simple. But are there not great differences of opinion between Washington and Bonn? President Reagan has been swept into office by a move to the right by the American public. The Bonn coalition is a center-to-left element. Are not these ideological differences in themselves sufficient to breed conflicts?

Ehmke: There has been no change in the foreign policy interests of our countries resulting from the democratic election of their respective governments. In addition, I have gained the impression that those radical forces that were at least verbally active in Reagan's election campaign will have no great influence in the new administration. In fact, the new administration will be particularly anxious to conduct substantive constructive talks with the Europeans. We have had good experiences with Republican administrations in the past as well.

WELT: But is it not true that the Adenauer party has better rapport with the new White House than yours has? As a result, would it not be possible that in case of differences of opinion with the present FRG government Washington would promote a political orientation more to its liking within the FRG?

Ehmke: The FRG is not considered a banana republic in American eyes either. No German patriot, whatever his political stripe, will want to renounce the enlarged freedom of action which the Brandt and Schmidt governments have provided for German foreign policy. The policy of detente involves more for us Europeans, and especially for us Germans, than it does for the Americans.

The German voters are well aware that our security makes us dependent upon the alliance with the United States. But they are equally conscious of the difference between the status of a member of an alliance and that of a satellite of the East bloc type. The new people in Washington, who are predominantly professionals, know that.

WELT: Nevertheless, differences of opinion between Bonn and Washington are already discernible. In the area of security policy, for instance.

Ehmke: In this area there have always been differences of opinion within the alliance. Starting with the dispute over the Radford Plan and the Multilateral Force disagreement to the offset question. That is nothing unusual in a voluntary alliance. The important thing is that despite differences of opinion on details, a common basic policy is always found again.

WELT: A common basic policy? Surely you do not expect the left go along with this?

Ehmke: The right left labels are particularly insignificant in foreign policy. In a social democracy debates are frequent, and policy developed and voted upon after discussion is then generally backed. In effect, I would expect that any Social Democrat would observe this basic rule. Anyone who is against this is basically in favor of a different kind of politics.

WELT: Since the Soviet invasion of Afghanistan, the United States has been requesting a new division of labor within the alliance, inasmuch as they have undertaken considerable additional responsibilities and efforts in the [Persian] Gulf region, an area that is of greater importance to the oil supply of Japan and Europe than to that of the United States.

Ehmke: Nor must the Japanese and we Europeans shy away from this discussion. It has of course become clear to me that political damage is being done by the vociferous demands on the part of some of my colleagues that the North Atlantic Alliance's protective area be extended or that German soldiers should be stationed outside the NATO area. Other things are being discussed: an augmented mission for the FRG navy and a strengthening of conventional forces in Europe to include the so-called "Host Nations Support," meaning additional structural facilities for U.S. armed forces in Europe.

Based on our geopolitical situation, our main task is and remains the security of the Central European front line and therefore the proportion of conventional forces within that area. This primarily involves a further improvement of our defensive capability in the northern German plain, especially in the area of antitank defense.

WELT: To include resumption of the debate about the so-called neutron weapon?

Ehmke: No. While at the time a lot of nonsense was said about this weapon, a resumption of the neutron debate would only serve to impair the debate on security policy in a psychological sense. Our highest priority should be improved combat effectiveness of our army, including an effective mobilization of reserves, as the FRG chancellor correctly indicated in the United States. In this context, continuing improvement of our territorial defense is important also. Furthermore, we must not lose sight of the fact that in defense matters we must not overreach ourselves financially.

WELT: Are you not renouncing effective antitank weapons, like the neutron bomb, for the sake of intraparty harmony, for the sole purpose of maintaining NATO's necessary counterarming decision?

Ehmke: The thing you refer to as "the NATO counterarming decision" is in effect a counterarming and negotiating decision which would never have come about in the first place without the German social democracy. In my opinion, all participants would be well advised to observe both sides of the decision, because they are interdependent.

WELT: Recently, Gen Rogers remarked upon the East bloc's armed forces' superiority in chemical warfare weapons. On the other hand, your fellow parliamentary group member Karsten Voigt expressed satisfaction over Republican Senator Hatfield's success last December in causing cancellation of a budget item for the development of new chemical warfare weapons. Does the SPD agree with NATO or with Karsten Voigt?

Ehmke: The chemical warfare question must indeed become the subject of public discussion inasmuch as U.S.-produced chemical weapons would come into use in Europe rather than in the United States. The discussion must be conducted not only from the standpoint of armament but also from that of disarmament. Chemical warfare weapons should become an additional subject of arms control negotiations.

WELT: You like to talk about arms control negotiations. But the new American administration apparently wants to counterarm first and negotiate later.

Ehmke: One can only advise against this. NATO came to a different decision last December. A departure from the negotiating part of the NATO decision would strain the European debate about the necessary maintenance of military parity in an ominous manner. At the present time the largest weapons arsenals in the history of man are already facing each other in Europe. Mere common sense therefore dictates an effort to stabilize an equilibrium at a lower rather than a higher level.

WELT: You are, then, in favor of continuing the SALT talks?

Ehmske: Certainly. And they should take place not after the efforts to attain military parity but parallel to and in conjunction with those efforts. We must not accept the arms race as sort of an act of nature unless we want it to devour us some day.

WELT: But does not this policy of balance depend fully upon the Soviets' not changing the international situation catastrophically by, for example, intervening in Poland?

Ehmske: The question of military balance faces us in any case. Even the continuation of detente politics presupposes the maintenance of military parity--if at all possible, at a lower level of armaments and troops than in the past. Unfortunately, we have hardly approached this objective; but this is no reason to abandon it.

WELT: Not even if the Soviets intervene in Poland?

Ehmske: Speculating about a Soviet intervention in Poland does not help the Poles. The Soviets' reticent behavior to date is an indication that they realize how bad they would look after an intervention in Poland. In my opinion, the Soviets can politically stabilize their eastern European fortification, which they established in World War II with a great deal of bloodshed, only through reforms. Talleyrand's saying--that you can do all kinds of things with bayonets, but you cannot sit on them--is equally valid for tanks. Tanks cannot be used to break strikes, not to increase production, nor to ensure food supplies.

WELT: But for the United States, regardless of events in Poland, detente appears to have ended with the Soviet invasion of Afghanistan at the latest. The new administration is therefore likely to exert greater pressure to restrict trade with the East by the Europeans, especially by the FRG.

Ehmske: It is not all that unequivocal. For instance, there is agreement between the Americans and ourselves regarding economic assistance for hard-pressed Poland. In addition, there is presently a debate in the United States about lifting the grain embargo against the USSR. What is needed is a thorough discussion within the alliance about the specific advantages and disadvantages of economic trade for the East and the West. On this subject some very unrealistic assumptions prevail in the United States.

WELT: They are not just assumptions. In the United States there is strong criticism of the planned European-USSR natural gas pipeline deal....

Ehmske: There is misleading information on this. Responsible American politicians and economic journalists have told me in all seriousness that in their opinion this project would result in the FRG's becoming dependent upon the USSR for up to about 25 percent of its energy requirements. But the fact is that while imports of Soviet natural gas would increase to about 28 percent by 1990 under this project, this would constitute less than 5 percent of our total primary energy requirements.

In addition, an American study and former Conservative British prime minister Edward Heath have recommended that the Soviets be given technologic and economic assistance in developing their energy reserves in Siberia. Should we fail to do this, the East will continually increase its purchases on the world's oil markets (one need only look at the development of Eastern imports), thus increasing our price and quantity problems. In addition, the USSR's political pressure on the oil region would increase even more. Therefore, with all the confrontations with the USSR in certain areas, there are nevertheless some parallel interests in this particular area.

WELT: That may sound a bit fantastic, but one would gladly give credence to it. One would also like to believe that arms for the Saudis contribute to stability in the Near East.

Ehmke: Certainly. After all, the United States did not send AWACS aircraft to Saudi Arabia through inadvertence.

WELT: But there is a tremendous difference between the listening AWACS and the shooting Leo. Is not, by any chance, Saudi Arabia considered a crisis area in the sense of the FRG's arms export guidelines?

Ehmke: This type of facetious interpretation can only hinder discussion. This must be very carefully evaluated. At the same time, it illuminates a more general problem in German politics. While a clever British observer during the 1960's referred to the FRG as "an economy in search of a state," the FRG has in the meantime become a foreign policy and military power factor of the middle class, not least because of the foreign policy of Social Democratic cabinets. Being a power factor entails many inconveniences. And, after Hitler's crimes, did we not want to renounce any kind of "power politics?"

But a power factor cannot escape the political problems which are a part of its existence. Should we try it, we would most certainly come to harm. Already our influence and our potentials are being horrendously exaggerated, especially in the Third World. We must therefore learn how to handle our own weight. Not with the motto: "We are somebodies again" but with the realization which contributes to the purity of our political soul: that we have additional political responsibilities and that we must discharge them.

WELT: But are we not sometimes overconfident? Henry Kissinger, for instance, warned the Europeans during his most recent exploratory trip to go their own way in the Near East.

Ehmke: In the Near East we are pursuing the same goals as the Americans: stabilization of the region, Israeli security and a solution to the Palestinian question. A division of labor among the United States and Europe might contribute more to attaining these goals than would an American attempt to bring the Europeans into line.

WELT: In other words: friendship with Israel and, if possible, with the Arabs; partnership with the United States, but also European independence. What happens to this independence when we sell submarines to Chile?

Ehake: I consider the sale of submarines to the Pinochet regime as an example of a lack of political instinct which will hamper the basic debate in a superfluous as well as a persistent manner.

WELT: But the excitement would be more easily understandable if we were dealing with rubber truncheons or handguns with which Pinochet could possibly suppress his internal political opposition. But whom does he suppress with submarines?

Ehake: Everyone agrees that a dictator cannot use submarines in internal politics. Nevertheless, this decision by Bonn was lacking in political instinct because it gives greater recognition to the Pinochet regime.

WELT: If you are bothered by events in Chile, how much more strongly must you condemn the Afghans' oppression by a foreign power? Are you prepared to go to the aid of those oppressed people?

Ehake: We must give political support to the resistance groups in Afghanistan, splintered though they are.

WELT: Even by furnishing them with arms?

Ehake: For practical purposes, this is a difficult question because of Pakistani misgivings. At least we should politically approve arms aid from Islamic states.

WELT: What would be the goal of such a policy?

Ehake: It would be twofold. First, to increase the USSR's expense for the continued occupation of Afghanistan to such an extent that their desire for a political solution that would enable them to retreat would become paramount. Second, the effect upon the Third World. Because in the final analysis, the conflict caused by Soviet intervention in Afghanistan will be resolved in the Third World.

Today the USSR, following in the footsteps of the last century's czarist imperialism, is assuming the stature of a colonialist power in Afghanistan. We must make it clear that we are against any type of colonialism and thus also against Soviet colonialism, and we must therefore, for the sake of our own credibility in the Third World, support liberation movements there.

WELT: It is good to hear that for once an anti-Soviet liberation movement is being supported.

9273

CSO: 3103

NUSAYBIN OIL PROSPECTS EXPLORED

Istanbul 8. GUN in Turkish 18 Jan 81 pp 3-4

[Text] A great deal of time passed between the time when an exploration engineer standing at the head of the well threw his hard hat to the ground and shouted, "Hooray!", and when Minister of Energy and Natural Resources Serbulent Bingol made the announcement, "A new petroleum field that gives hope has been found near Nusaybin."

TPAO [Turkish Petroleum Corporation] officials waited a very long period of time until their doubts on the subject were eliminated, nagged researchers constantly, demanded new information every minute, and followed the drilling of the test well moment by moment, centimeter by centimeter from Ankara.

In the end, Director General Firuzan Ardic and Deputy Director General Ismail Kafescioglu looked at one another and gave the verdict:

"This work is finished."

A new oil field that appears to be very productive according to initial determinations had been found at Nusaybin, which is close to the Syrian border and 20 kilometers from Camurlu, where two discoveries were made previously.

What Is There? What Is Not?

New petroleum meant new hope.

When the news was reported on television and in the press, a significant degree of excitement was aroused.

People wondered if this spelled salvation.

Petroleum found in Libya, which was a destitute desert nation only 20 years ago, changed the fate of that African country. Once, we had sent governors to rule, and now, we send workers in order to earn money.

It is that same Libya that now produces 2 million barrels of oil per day and that obtains from it revenues of approximately \$30 billion per year.

As for Turkey, it is forced to set aside \$2 billion in 1981 for the importation of needed petroleum.

One wonders how much petroleum the new field will yield.

In order to understand this question well, it is necessary to turn around and take a look and to spread out before one's eyes our present-day situation.

Only 11 years ago, in 1969 and 1970, Turkey's requirements were 7 million tons or (since a ton is about 7 barrels) 49 million barrels. We met 50-51 percent of this through domestic production. This amounted to 3.5 million tons or between 24 million and 25 million barrels.

Our needs grew during the next 10 years, rising to more than 17 million tons. Our production, to the contrary, fell to 2.5 million tons.

In this way, we reached the point where we were only able to meet 20 percent of our requirements. This meant that 80 percent of our needs had to be imported. This also was all of our annual exportation in foreign exchange.

While our areas of petroleum usage increased rapidly, we were unable to find new producing fields. It was also natural that the yield from old productive wells diminished. The wells could not produce what they did during the first days.

For these reasons, the news that came from Nusaybin was important.

What Does 1,000 Barrels Per Day Mean?

According to one official, this was the most significant find of the past 6 years.

Initial calculations set potential production from one well at 1,000 barrels per day. This would be a revenue of \$35,000 per day at the least or \$13 million per year.

What does 1,000 barrels a day mean?

Turkey's approximate daily productivity is as follows:

Shell, 23,000 barrels; TPAO, 17,000 barrels; Mobil, 5,000 barrels; and, with all others, totaling about 50,000 barrels a day. Needs total approximately 330,000 barrels each day.

This means that production at Nusaybin, according to initial data, would meet one three-hundredths of our needs.

One three-hundredths appears to be very small. In that case, what is all the excitement about?

When an official from TPAO said, "This was the first discovery in a long time and one that gives hope," he added this explanation, "Thus far, we have gone down to 60 meters in the petroleum layer. We continue to descend. This is evidence that this field is deep. This depth demonstrates that we have located the deepest oil field in Turkey."

In order to comprehend this situation, it is necessary to provide a little technical information.

As far as is known, petroleum was formed from the remains of microorganisms on the floors of prehistoric seas that were compressed by layers of sediment. The degree to which the rock in which these organisms were found was porous, like a sponge, and the density and extent of the rock determined the amount of oil located at the spot.

Initial findings from seismic data indicate that the new field is a limestone block -- in other words, a trap with the porosity of a sponge -- that is 2 kilometers wide and 4.5-5 kilometers long. The scientific explanation of the rock is that it is dolomite composed of carbonates of calcium and magnesium. Its Turkish name is Mardin stone.

The field is an independent area separated from Camurlu, where a small amount of production is being carried out, by a fractured fault. The portions in which the test bores were taken show that the rock is coarse and porous in structure, which means that production will be easy.

Specific Gravity Low, But...

The petroleum that is being extracted has a low specific gravity -- 17. The oil with the highest specific gravity in Turkey comes from Shell's Beykan well. Its specific gravity is 33. To give an example, the most expensive (\$40) and most coveted, from the standpoint of exportation, is Libyan oil, which has a specific gravity of 42. A clear explanation for this follows. The higher the specific gravity, the higher grade products (such as gasoline and kerosene) obtained from the crude oil. However, having a low specific gravity does not carry as great a significance today, because not only gasoline, but a great number of products are derived from crude oil. Turkey needs these other products as much as it needs gasoline and kerosene. Furthermore, in the face of today's prices, as a petroleum expert stated, "if dried dung were extracted from the ground, it would be valuable."

Very well then, what interpretation can be made? What results are possible?

Let us understand first that every drop of oil that we can find, when utilized, means foreign exchange.

Moreover, an official said about the new field, "Within the next 2 months, it will be able to produce news that will put smiles on our faces."

Within a few weeks after drilling the first well, new wells will be tapped and will begin production in 1½-2 months. The probability of increasing the amount of oil that can be obtained is very high.

An official spoke on this subject, saying:

"At this moment, production of 1,000 barrels per day appears possible. We do not know how much this will be increased in the future, but we do hope to go into full production right after spring. At that time, we will be able to speak more concretely. The fact that the oil is very close to the surface (the first discovery was at a depth of 1,558 meters) is another element to cause joy. There is absolutely no reason why other findings should not follow the first. Let us hope that God is smiling on us.

"The year, 1981, can be an auspicious one for the TPAO, for our nation.

"We do not wish to say too much now. To date, some reports have been highly exaggerated, have spoken of high expectations. We do not wish to say too much before everything is completed, before analyses are finished. However, if this field had been found 20 years ago, we could not have taken advantage of it as we can today. The extent that oil prices have risen today adds great value to every barrel of domestic oil."

1981, Year of Enterprise

The biggest wish is to obtain from our soil a greater percentage of oil, which plays a huge role in the fate of a nation. It is for this reason that news emanating from Nusaybin created a larger reaction than expected. Furthermore, the TPAO had planned to make this year one of great strides. It has prepared to drill both exploratory and developmental wells on the fields in its possession. Two days ago, an exploration agreement was signed with the Romanians. It is calculated that Turkey's productivity will rise to 30,000 barrels per day at the least.

It has been decided to do everything to facilitate foreign corporations' work in Turkey so that they can increase production and discover new fields. Exploration at sea as well as on land will be undertaken.

New Topic: Sea

The sea is a new topic for us. Petroleum exploration -- not seismic, but test bores -- in the sea will begin for the first time in Turkey. This is planned to take place in Iskenderun Bay as well.

Dr E. E. Hots, a Shell director general who worked in Turkey a while ago, who took part in intensive oil exploration in our southeastern region, and who was unable to achieve results because, in his own words, chance did not help, told the author of this article, "The big hope is in Iskenderun Bay." He went on, "As far as I can determine, Iskenderun Bay is extremely appropriate for commercial production from the standpoint of water depth. It also appears hopeful to me as an extension of oil pipelines."

There are, likewise, rays of hope along the coast of the Black Sea. Steps taken this year will be able to lead to more extensive use of domestic oil in the years ahead.

This is the hope of each of these areas.

But Nusaybin is a reality.

A Comparison

At a distance of 20-25 kilometers from our border and immediately to the south of the field in which the well located at Nusaybin that is called "Guney Dincer-1" is found lie Syria's petroleum fields -- Aliyan, Tel Rumula, Karacuk, and Suadi. They resemble the field we recently discovered. Aliyan is only 10 kilometers from our border. These fields produce 175,000 barrels and earn \$6 million per day.

Iraq's nearest wells are so close they can be seen from our border. Together with the other producing fields, they yield 3 million barrels a day.

This is the current interpretation of the news coming from Nusaybin.

Let us hope that there will be reports of new discoveries in the days ahead and that our nation will become an oil-producing nation similar to our neighbors.



[Caption] Turkey's Oil Fields: Through the study of Turkey's geological structure, the areas in which there is the possibility of extracting petroleum have been determined. The most extensive of these are found in the east and southeast of Turkey. The result of studies made in Thrace indicate that the petroleum found there has a high percentage of paraffin. Other hopes lie in the Iskenderun Bay and along the eastern Black Sea coast.

11673

GSO: 4907

RAIF DENKTAS FORMS GROUP WITHIN NATIONAL UNITY PARTY

Forms Kemalist Revolutionary Opposition Group

Nicosia BOZKURT in Turkish 17 Jan 81 p 1

[Text of statement sent by National Unity Party Nicosia Deputy Raif Denktas to Prime Minister Mustafa Cagatay]

[Text] NUP [National Unity Party] Nicosia Deputy Raif R. Denktas, who sent a statement to Prime Minister Mustafa Cagatay, has announced that the Kemalist Revolutionary Opposition Group has begun to take action within the NUP. In the statement, which was written in harsh terms and which was distributed to the press, Prime Minister Cagatay is severely criticized. The complete text of the statement sent to this newspaper is as follows:

When you took office, the lifelessness, lack of idealism, inefficiency, and maladroitness of your government, in which you included close relatives, reached a peak. A great deal of effort would be necessary for you to prove that this is not true, but no action on your part has been noted, and your team does not perceive such a need.

The fate of this community is not to be doomed to the mismanagement of your administration just as it is not to live in permanent chaos based on injustice and the principle of patronage. The NUP is not sentenced to the fate of toppling over a precipice due to your lack of direction. Under your protection, the NUP is in the position of being, today, a political organization that is not at all beneficial to the community, but is the "lesser of two evils." However, the hopes of the suffering masses, which brought the NUP to power, have been crushed. The people should be in a position to be proud of their government and not pessimistic or ashamed of it. With your government that does not know what it is going to do and because it makes no difference whether you exist or not, you have wasted and continue to waste the community's time and continue to destroy its hopes. Even if we believed and accepted your story about "impossibility," that there is

nothing you can do today, we have not heard nor seen any thought or idea about your future or your government's future. For this reason, we have decided that yours is an "unnecessary" group.

Following the reaching of this conclusion, we were faced with the situation of either abandoning the NUP at the precipice under your leadership or engaging in a democratic struggle within the party in order to purge the NUP of you and your group and then to be able to bring the party to the point where, let us emphasize, it would be able to serve the community.

Our decision is to struggle, without hiding our hands behind our backs, within the party and against you and the present-day NUP staff in order to fulfill our people's wishes. Therefore, we wish to announce officially and publicly that at this moment the "Kemalist Revolutionary Opposition Group" has raised the battle flag within the NUP. Our first goal is, by bringing forth a list of reliable and congruous candidates for our delegates, who constitute the grass roots of our party, at the nominations to gain NUP candidacies and to erase the parasitic and unnecessary names from the slate.

As we stated verbally before, if ministers attempt to use their ministries' power in order to maintain their seats, we will battle harder, and the responsibility for this will be borne by you personally for your demonstrated inability to change the cabinet.

The Turkish Cypriot community is saying, "That is enough," while you talk about "continuing" a dreadful administration. We ask you to become aware of how distant you are from the people, and we beg of you to ensure that your ministries, in response to the democratic struggle we have initiated within our party against you and your group, do not engage in a mad flurry of improper and illegal partisan acts.

Cagatay Refuses To Resign

Nicosia HALKIN SESI in Turkish 18 Jan 81 pp 1,7

[Text] KTFD [Turkish Cypriot Federated State] Prime Minister Cagatay responded to NUP Deputy Denktas' announcement that was published yesterday in the local press by asserting that neither his nor his government's resignation is being considered. He said that the situation that has emerged will be discussed by the Council of Ministers on Tuesday, 20 January and by official bodies within the party. Following this, the necessary announcement will be made to the public.

In a statement sent to the prime minister the day before yesterday and distributed to the press, NUP Nicosia Deputy Denktas stated, "With your government that does not know what it is going to do and because it makes no difference whether you exist or not, you have wasted and continue to waste the community's time and continue to destroy its hopes." Denktas' statement

also claimed that "the government's maladroitness has reached a peak." He said that, in the face of the prime minister and today's NUP staff, he will struggle to fulfill the people's wishes and, in order to do so, has created a "Revolutionary Opposition Group" within the party.

Prime Minister Cagatay answered questions posed by reporters, who were admitted to the prime minister's office yesterday morning. In response to the question, "Following this action taken by Denktas, can your resignation be expected?," Cagatay stated:

"This power, which is great, will be used democratically following the principles and statutes of party discipline within the party. Every decision including resignation will be considered and taken accordingly."

Prime Minister Cagatay was asked, "How do you interpret the Kemalist revolutionary movement against you and the views supported by the group within this movement?" He answered, by saying:

"There is no one within the NUP who is not a Kemalist or a revolutionary. All of us are Kemalist revolutionaries."

Prime Minister Cagatay continued by explaining his views:

"A deputy of the party in power, in particular, must be aware of his responsibility and the need for sincerity. At a press conference held a while ago, Denktas said, 'There is no government.' Because of this statement, he was reproached and warned by official party bodies. This time, he has come out, not only against the government, but against the party as well with his accusatory statement. He has made an unjust accusation against the entire party and its members as if to say that our party is not Kemalist or revolutionary and that only a small group within the party is. Because our people will evaluate what he said in the light of government activities, I do not find it necessary to respond to him. It is obvious that not a single claim can be considered to be a 'serious charge,' and that all of the claims are completely outside the truth."

Cagatay pointed out that, from the standpoint of the democratic system, the party can only be strengthened by opposition within the party and by the continuation of this opposition. He said that this opposition, however, must be carried out in accordance with party standards, rules, and principles and, in particular, must conform with disciplinary regulations.

In his statement, the prime minister said that he certainly does not believe that an opposition movement that does not take into account these types of factors can be beneficial. He continued:

"A deputy can prove that he is responsible to the community first and then to his party by the respect he gives these principles. A person who wishes to be a politician must, first of all, respect and conform to these

principles. The situation that has emerged will be examined with the necessary sincerity and responsibility. The topic will be discussed by the Council of Ministers on Tuesday, 20 January 1981 and by official party bodies. A decision will be reached, and an announcement will be made. In the face of all difficulties, impossibilities, and scarcities while giving government service to the people and while using the executive authority to handle great responsibility, the situation of permitting a club of party members to administer the government cannot be considered. As political party members and as persons shouldering the serious responsibilities of community service, we are compelled to exhibit great care in this situation."

Denktas Pledges To Continue Opposition

Nicosia BOZKURT in Turkish 20 Jan 81 pp 1,4

[Text] NUP Nicosia Deputy Denktas, who announced that a revolutionary opposition group has been formed within the NUP and that he serves as spokesman for the group, criticized the government's activities harshly at a press conference held yesterday in Nicosia.

Denktas stated that the government is not demonstrating that it is acting in the direction of solving the community's problems and that it is not exhibiting responsibility and seriousness in the efforts it is undertaking. He said, "Our colleagues in the government must stop bombarding us with empty words and begin to do their jobs. The best response they could give us would be to take positive steps."

Denktas, who stressed that he would not withhold praise if he saw the government take a positive step, claimed that "to expect such action from the government would be to expect the impossible."

Denktas noted that it is necessary to keep in mind one's own responsibility and sincerity before talking about the government's responsibility and sincerity and expressed the following views:

"Is the chaos that exists in trade and industry today an example of the government's understanding of responsibility?

"I urge it to stop uttering empty words and to consider what it can do for the community. For example, will it be able to put an end to the closure of canteens at schools and to the moral suppression of children? Will it be able to put an end to the continued, excessive expenses in heads of families' budgets?

"What does it say about the nationalization of 51 percent of the shares of banks? Will it be able to find a cure for the bleeding wounds of hundreds of citizens who have been awaiting compensation for their goods in the south for 6 years and whose time is being wasted? Will it be able to take

coercive measures so that Cypruvex [Cyprus Vegetable and Fruit Processing Corporation] will pass from an 'era of prosperity' to an 'era of reason'? Will it be able to push the rental law through the assembly? Will it be able to implement effectively a social housing law?"

Denktas, who reported that he will discuss internal party problems rather than all these problems of the Council of Ministers, stated that all party members including deputies are in a position to follow the Council of Ministers. He said, "As for the Council of Ministers, every time the government does anything, great expectations are aroused, but the result is insignificant."

Denktas asserted that no one takes notice of criticism within the party. He accused Prime Minister Cagatay, saying:

"Cagatay, unfortunately, knows the merit of persisting in a mistake. My warning was repeated from time to time over a 6-month period from June to the end of the year, but was unable to create any reaction whatsoever. Due to impatience with the ostrich policy, even leaving the party crossed my mind. However, with the support of a few determined friends, I remained in the party as required by my responsibility as a deputy and unfurled the flag of the Kemalist Revolutionary Movement."

Names Kept Secret

In response to a question as to who makes up the Kemalist revolutionary group within the NUP, Denktas said that it would not be appropriate to announce this at the present time.

Denktas gave his views on this subject. They are, in summary: "There is within the party, just as there is in the community, a mill that can turn a man into fodder. No one should expect us to throw naively into the mill the names of those who have not been ground by this mill. We have reached a decision not to announce, for a specific period of time, the names of colleagues who are connected with our group or, more accurately, who are the nucleus. We have an executive committee composed of me and two other colleagues, and I am acting as committee spokesman since my name has been known since the beginning.

"In the meantime, two colleagues are preparing a party election communique draft to be proposed to the party assembly."

Denktas, who noted that he is unable to state at this time whether or not deputies or ministers are in the opposition group, said, "We deem it beneficial, from the aspect of tactics, to keep these names secret until we reach the nominations so that there will be no opportunity for these colleagues to be crushed by use of ministries' powers."

11673

CSD: 4907

OPPOSITION TO EC MEMBERSHIP INCREASES IN GREENLAND

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 31 Jan 81 p 6

[Article by W.A.: "A Lift for EC foes in Greenland"]

[Text] Stockholm, 30 January--The European Community and especially the FRG have incurred Greenland's anger. The result of the latest fishing negotiations in Brussels was received so negatively on the Arctic island that the ruling socialist Siumut Party can hope for a large majority to support its aim to take Greenland out of the EC. Even in the Danish "motherland" the newspaper POLITIKEN noted critically that the behavior of Federal Minister for Agriculture Ertl during the dispute about the fishery quotas had given an enormous lift for the Greenland EC foes.

Even though the German high seas fishing fleet was granted a quota of only 3,000 tons of codfish off the east coast of Greenland, while Norwegian trawlers, according to the same Brussels decision, can harvest as much as 1,000 tons of crab near the west coast, the Greenland union leader Lyberth considers this a "capitalist robbery." Deputy Lange, representing the Siumut Party in the Danish Folketing, made similar calculations and claimed that while German fishers were hauling cod valued at 300 to 400 million kroner from Greenland waters each year, only some 90 million kroner were flowing to the Greenlanders during the same period from the EC treasury. The fact that the Greenlanders have during the past 5 years received a per capita sum from the EC regional fund exceeding that granted by Brussels to, say, the Sicilians, no longer seems to be noticeable in the Polar island. Siumut and the unions are after the latest "West German show of muscle" rather determined to accelerate their campaign to leave the EC.

Greenland became in 1973 a member of the EC against the will of its 50,000 inhabitants in the wake of Denmark. When in May 1979 Copenhagen granted self-rule to its Arctic province and the Siumut Party took over the government, it immediately began to preach a second EC referendum, which has now been scheduled for 1982 at the latest. Politically the current fishery decision was thus a godsend to the Greenland EC foes. To be sure, the Siumut Party is concerned with more than the allegedly threatened fishing grounds. Nationalist sentiments pronounced again and again by leading party members lead to the conclusion that over and above Greenland's withdrawal from the EC, complete separation from Denmark is desired over the long term.

9640

CSO: 3103

ECONOMICS CONCERN RISES AS GREENLAND VOTE ON EC NEARS

Official Recommends Giving Foreign Aid

Copenhagen BERLINGSKE TIDENDE in Danish 10 Jan 81 p 10

[Article by Henning Rohde, former department chief in Ministry of Cultural Affairs and head of the Royal Theater]

[Text] Department chief Henning Rohde points out that Greenland is quite underdeveloped and that a good argument could be made for using aid to developing countries to solve this urgent problem.

We Danes are great at doling out money to help the so-called underdeveloped countries in the Third World which covers the former colonial territories. The primary purpose of this aid is to provide the people in these countries with an education that enables them--with further investment funding--to utilize the natural wealth they have in their countries. (That the aid does not always get used for the purposes intended--by way of the proper channels--is a different matter which the state auditors have taught us something about.)

Given this attitude on the part of the Danish people it is remarkable that there is a former colonial area and its people we seem completely uninterested in on the same idealistic level--Greenland and its people.

A while back the public debate turned to South Africa which prevented access to a high school education for colored people. Such a problem cannot arise in Greenland today--for there is no academic high school in Greenland. Bornholm with its 47,000 inhabitants has its high school, the Faeroes with their 42,000 inhabitants have theirs but Greenland with a population of 50,000 has none.

And here we are with all the Danish responsibility for educational policy for the people of Greenland.

Since Hans Egede set foot on Greenland soil some 250 years ago the number of Greenlanders who have received a university education could be counted--according to my information--in two-digit figures!

We have given Greenland autonomy but what have we done educationally so that Greenlanders can with true spiritual and material profit live in and rule the Greenland community modernized--to some extent--by us?

I don't know the number of Greenland civil engineers and commercial school graduates but the number is scarcely in relation to the natural wealth one can expect to find in Greenland. A Greenland teachers' college or catechetical education is inadequate for evaluating and administering these resources--and under these conditions what will Greenland autonomy mean?

The educational problem in Greenland cannot be solved by sending Greenland children to high school in Denmark. Until they are adults the young people of Greenland must live in their own country so they can develop such firm ties to Greenland that there is every prospect that they will return home again after further studies here.

But just setting up an academic high school in Greenland will not solve the educational problem there--even if a lot of special equipment is provided. The problem is much deeper and more complicated. It has to do with the language barrier that exists between the language of Greenland and the Danish West European language.

The language of Greenland is rich in word choices pertaining to Greenland nature and Greenland surroundings in general but it does not cover all the more or less abstract concepts that must be understood and expressed if Greenlanders are to acquire the results of modern--primarily West European--social, humanistic and technical knowledge.

Very few Greenlanders have entirely mastered the Danish language or any other West European language. I can illustrate this with an example from my only visit to Greenland 8 years ago. I spent a good deal of my time with a talented young Greenlander. He had been one of the best in his Greenland school and after he finished there he went to Denmark to attend teachers' college. Proudly he handed in his first Danish essay at the college--but got it back with the information that it could not be graded at all. Then followed, he told me, an unbelievable toil throughout his entire time at the college and this talented person managed to pass the Danish teachers' examination.

Each time he was asked a question he had to try to translate it into his own language, then consider--in his own language--what the answer should be and finally translate the result into Danish. With the concrete nature of the language of Greenland and the larger vocabulary of the Danish language with regard to abstract concepts one can see how much reflective energy this took just to overcome the language barrier and the great possibilities for error both in understanding the question and in formulating the answer resulting from this language barrier.

The present Greenland school education in Danish--at least as I saw it 8 years ago--is quite inadequate. I met a school principal who taught the smallest children Danish. I had to speak with him through an interpreter and not until late

in the conversation did he speak a few words of Danish. The children he taught then went on to Danish teachers who on the other hand did not know any of their language.

Until the language of Greenland has gone through such a drastic development that it covers most of the words available in West European languages there won't be much choice if the people of Greenland are to be brought on an educational level with the rest of the Danish people other than to make Greenlanders conversant with both languages from childhood so they can think and talk in both.

The Greenland home rule authorities must decide for themselves the question of whether they should have a dual-language system.

If they accept the idea the educational plan must start at nursery-school age. No matter how difficult this might be, nursery school would have to be made compulsory--just as school attendance is. Danish nursery-school teachers would be provided for each nursery school so that each child learns the Danish language through play, enabling him to deal with the Greenland and Danish teachers he will have in elementary school.

This would equip academically-gifted children for the high school education that should have been provided in Greenland many years ago.

It is obvious that a plan of instruction like the one proposed here calls for big investments, both financially and in terms of manpower.

The problem of providing enough teachers should be easy to overcome considering the amount of unemployment. I am not just thinking of sending unemployed people to Greenland. We should try to tempt our best younger teachers for this pioneer work through higher wages, asking them to work for stated periods that are not too brief in duration--and those concerned should be able to regard their service as a kind of cultural national service.

But do we have the large economic means needed to carry out an educational plan like the one outlined here?

If we can agree that the educational system in Greenland is underdeveloped--in relation to the tasks that will have to be performed by the people of Greenland under home rule--there are already funds available to solve this big problem. Quite simply this would involve a restructuring of priorities in using the billions already present in the finance act for aid to underdeveloped countries. At any rate it should be more appropriate to spend funds for underdeveloped countries on education in Greenland than on embassy construction in India.

But if one does not think it is compatible with the statutes regulating the billions for aid to developing countries to use the money in Greenland within the Danish realm, what would be more honest and more reasonable than to reduce the foreign aid appropriations to the same more modest levels granted by most nations outside Scandinavia--and use the savings made here to bring the educational level in the old colonial territory of Greenland up to the norm in the rest of Denmark.

We Danes are already obligated to do this since we incorporated Greenland into the rest of the Danish realm under the constitution in 1953. What was the idea of this if not to give Greenlanders the same rights as citizens in the rest of Denmark?

When the problem in Greenland has been solved we--as Danes--can with a clearer conscience increase appropriations again for foreign aid to more remote underdeveloped countries.

Greenlander Economy Is Strong

Copenhagen BERLINGSKE TIDENDE in Danish 15 Jan 81 p 10

[Text] Department chief Henning Rohde wrote a chronicle in BERLINGSKE TIDENDE on 10 January about Denmark's educational transgressions against Greenland. His conclusion was that educationally Greenland is an underdeveloped country because it lacks an academic high school.

The chronicle said nothing about the fact that considerable progress has been made in recent years with regard to establishing educational institutions in Greenland. One can mention the vocational schools, the School of Social Pedagogy and the higher preparatory examination course at the Greenland Teachers' College, the last definitely preferred in Greenland to an academic high school. Thus Greenland does not lack opportunities to prepare its children for higher education. At the same time young Greenlanders have excellent chances to seek admission to Danish academic high schools and higher preparatory examination courses. If these opportunities did not exist there would be a kind of educational parish residency requirement in Greenland. Henning Rohde may not have been aware of this.

The author of the chronicle does not seem particularly well-informed either when he advocates that the "Greenland home rule authorities must decide for themselves the question of whether they should have a dual-language system." The fact is that the Greenland Home Rule Issued National Assembly Statute 6, dated 16 October 1979, concerning basic elementary education. This statute describes the educational arrangement and scope on the basis of political resolutions in the Greenland National Assembly. With regard to instruction in Danish the statute says that it can begin in the second grade (in other words when pupils are around 7 years old). Compulsory education begins on 1 August of the calendar year in which a child becomes 6 years old. That is actually quite early to start out the "compulsory" aspect. But Henning Rohde--as we saw--would like to introduce compulsory nursery school and Danish language instruction at this early stage in a child's life. Apparently he has not kept up with the educational and cultural debate in Greenland in recent years in which the cardinal point has been providing instruction for Greenland children in their own language. Therefore a major objection to Henning Rohde's chronicle is that it does not take the current political situation in Greenland into account but on the contrary expresses the old pattern in Greenland policy of having all important suggestions coming from the wise Danes.

Another major objection to the chronicle is that it does not express a reasonable sense of proportion. All Greenland cities and larger villages have modern school buildings with classrooms and resource areas and audio-visual materials much like those in Denmark. Class size is usually around 18-22 and the subjects include all the school subjects known in this country as well as instruction in the mother tongue. It is unjustified to talk about underdeveloped conditions in relation to the educational system in Greenland. Good physical conditions have been created within the country for education and training. The results will not come with the help of outside opinion as expressed in Henning Rohde's chronicle. It must come "from within" in Greenland, based on popular determination.

If one sums up and analyzes recent criticisms of the Danish contribution in Greenland there are really only two "contradictory" statements:

1. Developments are going much too fast = too many projects are being started = too much is being invested.
2. Developments are going too slowly = much more should be started = much larger sums should be invested.

The thoughtful reader must ask himself if both things can be true.

Greenland Gets Tax System

Copenhagen BERLINGSKE AFTEN in Danish 23 Jan 81 p 12

[Article by Rolf Bagger]

[Text] When home rule went into effect in Greenland a year ago the Danish workers at American bases there were included under Greenland tax laws and became subject to taxation. Everyone in Greenland became equal from a tax viewpoint. This meant that base workers lost their tax exemptions which dated back for years. They have appealed this in a case before the Greenland High Court in Nuuk (Godthab). The decision will be handed down within a few weeks. If the base workers win they will have made themselves privileged foreign workers in the Greenland community.

On 1 January 1980 the Greenland National Assembly's law on income taxes went into effect. The law states in the very first line that all those with permanent residence in Greenland or those living there for at least 6 months are subject to taxes. The implementation of the law was one more step toward making Greenland into an entity and a unified region.

A single group of people did not wish to become subject to the law without a fight--the Danish workers at the American bases in Thule and Sondre Stromfjord. In the past they have been basically untaxed in Greenland because the bases lie outside Greenland municipal boundaries and until the Greenland income tax law took effect it was the Danish municipal tax law that applied in Greenland. For good reason it could not apply outside a municipality.

At least that's what people thought until the base workers brought suit in the Greenland High Court at Nuuk (Godthab). The workers argued that the tax exemption is based on the agreement between the governments of the United States and Denmark dated 27 April 1951 on the defense of Greenland. Article 7 of the agreement states that "civilians appointed or employed under contract by the government of the United States of America to perform work in Greenland and members of their families are to be exempt from all taxes, duties and other public rates imposed by the government of Denmark or by Danish authorities in Greenland."

To this the home rule people say that the civilians mentioned in the agreement do not include Danish civilians since a NATO agreement dated 19 June 1951 on the status of NATO forces during their stay in other NATO countries expressly distinguishes in Article 1 between foreign and resident civilians, in this case American and Danish civilians. In addition the home rule authorities say the Danish base workers have only an indirect employment relationship with the United States since they are hired by Danish firms (primarily Danish Arctic Contractors and Standard Electric Kirk) which have contracts with the United States--and these firms pay taxes in Greenland like all other firms.

In the past all Danes could obtain an exemption from paying Danish income taxes during their stay in Greenland if it lasted more than a year and a half and in practice this meant a total tax exemption until the beginning of small Greenland municipal tax payments in the 1960's. But this did not apply to people living outside municipal boundaries and there are quite a few of them outside the American bases, in East Greenland and on the civilian airport in Sondre Stromfjord. There is no escape for these people now. They must pay income taxes in Greenland.

The base workers told cabinet chairman Jonathan Motzfeldt back in December 1979 that they would not get anything out of paying taxes and they have repeated this in court. They cannot get dental and medical treatment in Greenland but must be flown home to Denmark and personally pay for what it costs. They don't benefit from any other normal municipal services either. They live in areas too remote for that--as the home rule authorities admitted during the court hearing.

The base workers have also charged that they are not entitled to vote in Greenland. That was true in the last National Assembly election but that was because the election was held under a special Danish law in connection with the introduction of home rule and the home rule commission is not yet ready to issue the special Greenland election laws that will apply in the future starting with the 1983 election.

It is unfortunate that Sisimiut Municipality (Holsteinsborg) earlier denied base workers fishing permits on the grounds that they had "no affiliation with the Greenland community." However this decision was reversed by the national ombudsman.

Employment

Danish Arctic Contractors said that the tax obligation had not led so far to a noticeable decline in interest in working at the bases. Danish unemployment and

an adventurous desire to see Greenland still attract people. The number of employees remains a secret. Danish Arctic Contractors worker T. M. Bjornæs explained it this way: "What we are competing with up here is precisely the number of people and hours."

Joint shop steward Jan Kaare Petersen from Søndre Strømfjord said on the contrary that more people than usual left in 1980 and even more would leave if they lost the case. If the case is lost workers will demand higher wages from the Danish firms and this could mean that the Danish firms could no longer compete with American firms in making bids. In addition they would demand a share of municipal services in Greenland. But before that they would definitely appeal to Eastern District Court in Copenhagen. Asked if they would want to be classed as true foreign workers in Greenland if they won the case, he replied: "We're not afraid of that."

There are between 1100 and 1200 Danish base workers in Greenland but as we mentioned there are also other taxpayers elsewhere outside the municipalities. In all they paid 20 million kroner in taxes in 1980 and in 1981 the figure will be 24 million kroner. From a technical tax point of view Greenland is now a foreign country in relation to Denmark. A dual tax agreement has been signed between Greenland and Denmark. The sentence on the base workers' case will be handed down in a few weeks.

Dependency on SAS Remains

Copenhagen BERLINGSKE AFTEN in Danish 23 Jan 81 p 12

[Article by Rolf Bagger]

[Text] Air traffic between Denmark and Greenland is a lifeline for the Greenland community. But aviation has many problems. SAS has a concession to both routes but the southern one is flown by the Swedish subsidiary Transair using old, uneconomical planes. The route to Søndre Strømfjord has a freight capacity that is too low. The landing strip is owned by the United States and cannot accept planes larger than a DC-8 in the summertime. The hotel at the airport is run by KGH [Royal Greenland Trading Company] and is not large enough to accommodate more traffic and Greenland Aviation will not take the next big step forward until 1984.

There is strong political interest in home-ruled Greenland in getting greater influence over traffic connections with the outside world, mainly Denmark, in the long run. These connections are a lifeline for the Greenland community that is so isolated in more than one way.

Two of the most important of these lifelines are the two flight routes between Greenland and Denmark, the northern route from Søndre Strømfjord and the southern route from Narssarsuaq, both to Copenhagen. But both routes have many problems and many interests must be united and reconciled.

The northern route is flown by SAS with planes of the DC-8-62 and DC-8-63 types. Three flights a week in the winter and five or sometimes six in the summer. Over the years there have been many complaints about SAS traffic service--overfilled planes, freight capacity that was too low, ticket prices that were too high.

SAS has tried to accommodate the critics with more frequent delays and the introduction of larger planes, namely the DC-10, but these can only land in Sondre Stromfjord in the winter when the permafrost reaches right up to the surface of the earth. Otherwise they are too heavy.

Expanding the runway to take heavier planes even in the summer would be extremely expensive--and the cost must be paid by the Americans for the runway belongs to the American base. But American budgets do not include funds for expansion and reinforcement before 1983-84.

Sondre Stromfjord is totally isolated from the rest of Greenland and if poor weather sets in, passengers--both arriving and departing--risk being stranded here and being forced to spend the night (at their own expense) at the only hotel in the area which is owned and operated by the Royal Greenland Trading Company. The hotel has over 300 beds at its disposal when everything is filled. This means some people sleeping in 18-bed rooms.

KGH director Jens Fynbo said that KGH was not interested in bringing in bigger (DC-10) planes on the route since they would then have to expand the hotel only to see it become superfluous in a few years when the next big bottleneck in connections, Greenland Aviation, expands to the point that it will be able to take all passengers on from Sondre Stromfjord on the same day they arrive.

Greenland Aviation director Claes Piper said that unfortunately the airport in Ilulissat (Jakobshavn) would not be ready before 1984 and therefore they would be unable to open a route there with fixed-wing planes of the DASH-7 type until then.

This plane is currently used on the route to Nuuk and carries 48 passengers while helicopters can take only 22 at most. Helicopter traffic will therefore continue to be a bottleneck for air traffic in Greenland, also because such traffic is very dependent on good weather. But Claes Piper also said that already at Christmas 250 passengers came in on a DC-10 from Denmark and all were flown on without any problem.

A special problem is the freight capacity on the DC-8 planes, especially the DC-8-62 models which are the smallest and are normally used on Wednesdays. This has led to shopkeepers in Nuuk importing everyday consumer goods from Canada. The goods are flown directly to Nuuk with the small Canadian Austin Air planes.

Cabinet members Lars Emil Johansen said that the cabinet has already complained about the poor freight and passenger capacity, especially on Wednesdays, and he said he found it unsatisfactory that the development of imports from Canada was made necessary because of problems involving connections with Denmark. He said that he (as cabinet member for business matters) would present a traffic plan for all of Greenland to the cabinet this fall.

Southern Route

The southern route is flown by the SAS Swedish subsidiary Transair's fuel-guzzling Boeing 727 planes. This will continue throughout 1981. The future of this route was discussed at a Greenland Aviation board meeting (on which both the SAS national board and the Ministry for Greenland have seats) on Tuesday.

Director Claes Piper said there is a strong desire in Greenland to have Greenland Aviation step in and operate this route eventually, starting in 1985 when the SAS concession is opened up for participation by a local Greenland airline company. It has therefore been suggested to SAS that they start planning an arrangement that could take effect in 1985.

Until then SAS might have to charter an outside plane for the route when Transair planes become too expensive. One possibility here would be to charter Boeing 737 planes from Maersk Air. Director Johan Paus of Maersk Air said that in principle they regard the route to Narssarssuaq as an internal Danish route and that they have the ideal plane for this route. Johan Paus thought it would be "proper and natural" for SAS to make a proposition when things got to that point. Maersk Air is ready to go in and operate the southern route to Greenland right now. "We have gone through the entire operation with SAS," said Johan Paus.

Anger Over EC Fishing Rights

Copenhagen INFORMATION in Danish 29 Jan 81 p 3

[Text] Greenland politicians are very dissatisfied with the fishing agreement. The West German minister of fisheries was also dissatisfied with Denmark's EC membership when he took the floor on Tuesday.

Denmark and Greenland were definitely played off against each other in the fishing negotiations in Brussels. That was the opinion of Greenland cabinet member Lars Emil Johansen who spoke to INFORMATION when he arrived at Kastrup Airport on Wednesday directly from the discussions in the EC capital. He added that with respect to fishing it is vital to keep Denmark's and Greenland's interests separate which in the view of the Greenlanders was not done when the fishing agreement with Norway was concluded. Furthermore the Greenlanders are very dissatisfied--to put it mildly--with the decision of the EC Council of Ministers which assures West German fishermen of the right to catch 3000 tons of cod off the east coast of Greenland by 10 February when the question will be taken up again.

"We are totally dependent on our fishing--and therefore we don't like the tactics used by West Germany against us," said cabinet chairman Jonathan Motzfeldt who was also returning home on the plane from Brussels.

Lars Emil Johansen also said the decision to allow the West Germans to fish off East Greenland will provide Greenlanders with one more occasion to reconsider their Common Market membership.

Danish EC Membership an Error

But it was not just Greenlanders who had occasion to reconsider their EC membership after Tuesday's meeting--West German Minister of Agriculture and Fisheries Josef Ertl became so angry at one point that he said it may have been a mistake for Denmark to become an EC member.

According to RITZAUS BUREAU the reason for Ertl's anger was that after getting approval from the Folketing Market Committee Hjortnaes disclosed that Denmark could accept an agreement between Norway and EC on condition that West Germany promise to order its fishing vessels off East Greenland to stop fishing for cod until further notice.

Ertl said that EC agreements gave West Germany a legal right to fish off East Greenland. The West German minister bellowed into the Council of Ministers microphone that Fisheries Minister Karl Hjortnaes had disappointed him deeply.

"I fought passionately for Danish EC membership but today I wonder if it was wise to allow Denmark to enter EC," Josef Ertl said according to RITZAUS BUREAU.

He added that if the question of the 200 tons of salmon in prospect for Greenland through agreements with Canada were not so serious he would "die laughing."

"What kind of political dimensions are we operating with? I have a farm where you can catch lovely brook trout and I will gladly give some to Karl Hjortnaes," said the West German minister of agriculture and fisheries.

EC Referendum Vote Advanced

Copenhagen INFORMATION in Danish 3 Feb 81 p 2

[Article by Philip Lauritzen]

[Text] Nuuk, 2 Feb--The Greenland cabinet will present a proposal for a popular referendum as early as the spring session of the National Assembly.

A month from now, when the National Assembly starts its spring session, the Greenland cabinet will present a proposal calling for a popular referendum on Greenland membership in EC.

This was announced by cabinet chairman Jonathan Motzfeldt during a demonstration held in Nuuk (Godthab) on Saturday. About 300 people demonstrated against EC membership as a result of the fishing negotiations just held--or fishing brawl, as Lars Emil Johansen, cabinet member on business and fishing, called it.

Both Lars Emil Johansen and Jonathan Motzfeldt stressed the need for Greenland to get out of EC and they called on the supporting party, Atassut ["Mutual Cooperation"] to carefully consider the situation today.

Both stressed the importance of Greenland unanimity on withdrawal and they said withdrawal is a necessity for Greenland which wants to build up its future on the basis of its fishing.

Lars Emil Johansen pointed out that there is already a majority against EC in Greenland. The government party, Siumut ["Forward"], opposes EC and so do the two smaller parties, Inuit Ataqatigiit [a radical youth group] and the Sulissartut Party [expansion unknown]. It was these three parties along with the Greenland Fishermen and Trappers' Organization, KNAPP, and the Greenland Shipowners' Association, AAK, that backed the demonstration.

The demonstration was arranged only 1 day after the Greenland politicians had returned from the fishing negotiations and the demonstration took place very appropriately on the trawler wharf in this city.

6578

CSO: 3106

BUNDESBANK'S TIGHT MONEY POLICY UNDER INCREASING ATTACK

Hamburg D/R SPIEGEL in German 16 Feb 81 pp 115-117

[Unattributed article: "Opportunity Missed"]

[Text] The Bundesbank intends to restore some strength to the weak mark with high interest rates. The method is under attack. Experts fear a deep depression, the likes of which FRG citizens have never experienced.

By early last week, Friedrich Hofman had a really hot tip for money investors. Advised the customer service representative with Frankfurt's Dresdner Bank: "The 10-percenters are about to roll everywhere."

Meanwhile, high-yield securities of this kind are being offered at banks and savings banks throughout the country. Interest rates are rising at an unflagging pace. Even the latest German Post Office bond is offering a respectable 10-percent coupon as an initial new issue.

Thus, our trusty citizenry can rejoice over a double-digit killing for the second time since the end of the war after 1974. In real terms — after subtraction of the present 5.3-percent rise in the cost-of-living rate — fixed-interest bearing investments are even more profitable than at that time.

The record for yields is no accident; it is desired by the Bundesbank in Frankfurt. President Karl Otto Poehl explains the reason in formal bankers' German: "High interest rates are the clearest expression of the effort to regain overall economic equilibrium and to gain greater price stability."

Tight and high-priced money is being extolled by the bank of issue as a panacea which is to cure the ailing German economy.

The argument goes like this: A higher rate of interest could lure more foreign capital, thereby plugging the leak in the payments balance. This would also strengthen the mark rate abroad and weaken the trend toward increasing prices at home. Those at the Bundesbank are convinced that all this will ultimately create the necessary conditions for increased growth and less unemployment.

As logical as all this may sound, the number of those who support the Frankfurt doctrine is declining rapidly. And it is by no means only left-wing Social

Democrats and recalcitrant trade unionists who are publicly criticizing official monetary policy.

Wolfgang Roeller for instance, a Dresdner Bank board member, considers the Bundesbank policy "not successful." He says that since the price of money is always a factor in the business equation, the high interest rates might even have an inflationary effect.

The method also works to discourage investment, attests Hans Fahning, head of the Hamburg Landesbank. The Bundesbank is therefore "perforce" steering the German economy "into a recession."

The Frankfurt central bank's interest rate strategy does in fact entail unpleasant side effects. For that which delights the lenders simultaneously irritates the borrowers: They likewise have to pay double-digit interest margins for the money they borrow.

Auto buyers who overdraw their salary accounts are fleeced just like owner-builders who take out mortgages for their own homes or businessmen who wish to finance a new machine on credit. Consequently, many people put off making the purchase and look to more favorable times in terms of interest rates.

Wolfgang Gerstenberger of the Munich Ifo Institute has calculated that investments will decline in real terms this year — by 2 to 3 percent for facilities in industry; 4 percent for plant.

This will rock the economy's last remaining supports. The export trade will stagnate while private consumption shrinks. Customers in the public sector who could help by placing new orders will be casting helpless looks into their empty coffers.

"The path to mass unemployment is inescapable," concluded the Bonn SPD parliamentary group's committee on the economy recently. When the members met as a small group in closed economic session 3 weeks ago, only one question remained unanswered at the end of the deliberations: whether this year's national product will drop by 3, 4 or 5 percent in real terms.

Even Finance Minister Hans Matthöfer, who for several months has been publicly defending the tight money policy of his party colleague Pöhl, is meanwhile calling for a change. He suggests that the Western countries might be willing to agree on an internationally coordinated interest rate reduction. Prospects for this are poor, however, since the addressees of this proposal would like to retain their interest rates in order to bring down the high rates of inflation.

It is for these reasons that the SPD economists are meanwhile encountering more and more allies with their extremely grim premonitions of impending recession. Economic research experts in Berlin and Kiel, in Hamburg and Essen, are similarly castigating — and in rare unanimity — the bank of issue's monetary policy.

Nevertheless, despite a tight money policy Frankfurt's protectors of the currency are farther than ever from their sought-after goals. The cost of living is rising steadily at a rate just short of 6 percent. Within the period of a year the mark has dropped 20 percent in value in comparison to the dollar, also 20 percent.

compared to the pound, and even in excess of 30 percent in relation to the Japanese yen.

"Holding to the present tight money policy" might only make everything worse, says Reinhard Pohl of Berlin's DIW Institute [German Institute for Economic Research]. The recession would be accelerated, while there would be no reduction in imported inflation.

Wolfgang Schroeder of Hamburg's HWWA Institute [Historical Archives of International Economics] believes that as long ago as last year the Bundesbank "missed" a unique "opportunity" in its attempt to stop the decline of the mark. He says that the "massive interventions" by those in control of the currency — who purchased marks with foreign exchange reserves to stabilize the market — reinforced more than ever the expectations of investors operating worldwide that the German valuta would weaken even further.

Speculation did indeed increase. Since even higher interest rates were beckoning in the United States, England and France, international capital streamed right by the mark. Upward revaluations of already very profitable currencies thus brought an extra bonus for the investors. A total of DM 25 billion in foreign exchange reserves from German currency stocks were ineffectually frittered away on purchases in support of the mark in 1980.

Even the Rhenish-Westphalian Institute for Economic Research — generally on the side of the Bundesbank — is denouncing this error, concluding that the bank of issue even "put obstacles in the way of reducing payments balance deficits" with its interventions.

The Essen experts are well able to back up this serious charge. They note that although a weak mark makes imports more expensive, it also makes raw materials cost more. And this is "the most promising way to assure the careful and economical use of these materials." Only in this way could imports be reduced and exports increased — the best way to liquidate the payments balance deficit in the long run.

Bundesbank President Pohl does not think much of this strategy. On the contrary, even higher interest rates are supposed finally to lure investors to Germany. The official pros in the money field are hoping that the mark has already dipped as low as it will in the international currency cotillion. Last week a dollar already cost DM 2.19.

The calculation might be correct, for once the market begins to tilt, a new trend soon begins to gain strength. "The bulls always run with the herd," says a Frankfurt currency dealer with a U.S. bank: "I'm betting on a strong mark in the next few months."

An about-face would come rather late for the economy. The recession appears unavoidable.

7456

CSO: 3103

FUNDING FOR FRG-FRENCH COMBAT TANK THREATENED

Hamburg DER SPIEGEL in German 26 Jan 81 pp 87-88

[Unattributed article: "Growing Like A Weed"]

[Text] Following the financial miseries with the "Tornado," Defense Minister Apel is faced with new aggravations. The deputies are refusing to give him the money for the proposed German-French combat tank.

The spectacle had been beautifully orchestrated. The curtain rose in the Elysee Palace: Defense Ministers Yvon Bourges and Hans Apel sat down at a table and, having affixed their signatures, exchanged folders bound in red leather.

Their bosses standing behind them, French President Valery Giscard d'Estaing and FRG Chancellor Helmut Schmidt, smiled contentedly. Germans and Frenchmen, they declared, had once again moved one step closer: Together they would build a combat tank for the 1990's. Cost of development: DM 1.5 billion.

That happened last February. Now Schmidt and Apel are afraid that they may have to go back on their word: The parliament members of the coalition and of the opposition are refusing them the money.

The subject came up in the Defense Committee during the debate on the Tornado multipurpose combat aircraft. Lothar Haase, the opposition's defense expert on the Budget Committee, casually asked the defense minister whether he was aware that an agency for the tank was beginning "to grow like a weed," one which closely resembled the Namma aircraft production organization. Said Haase: "There are some close resemblances. Fancy accommodations have already been rented in Hamburg"--suitable for 30 planning experts from the two countries.

At first, the Tornado-damaged Apel tried to pacify him. Nothing had been decided, he said; "Only minimal amounts are involved; it cannot be more than a few million, if that much."

Then he asked for utmost discretion. The deputies should not rush into killing a project of "great interest" to the French. The tank, he said, had "great symbolic significance" for Paris and was "of great cooperative value."

The members of parliament, who keep having to release additional millions for the Tornado, were unimpressed. They are against the enterprise not only because of the financial pinch. Government coalition deputies especially are afraid that Paris intends to sell the jointly produced tank to the Third World.

Claus Grobecker (SPD) announced that there was "not another pfenning" for this project. Juergen Moellemann (FDP) introduced a formal inquiry in the Bundestag which sounded like a warning. He suspects that Apel's ministry has once again spent money without the deputies' approval.

Moellemann wants Apel to tell him whether the project would continue "despite votes to the contrary" in responsible parliamentary committees and whether "specific actions involving funding" had already been ordered and implemented.

With that, there is no way of stopping public discussions which Schmidt and Apel had hoped to avoid in consideration of the French. Apel does not have a strong case. This time he cannot even claim that the German-French tank (cost: DM 5-6 million each) is a mandatory defense item.

Apel had to admit during a closed session that the military had "no particular interest" in this combat vehicle. They feel that it would make better sense to continue development of the Leopard 2. Counters Apel: "There are also such things as higher-priority political decisions which must be observed."

It is questionable, however, whether the minister can maintain this position which is dictated by the chancellor. Unnerved by the Tornado controversy, he is becoming embroiled in new contradictions from one day to the next.

Last Monday and Tuesday, without being asked, he surprised the SPD's security and finance politicians with the remark that the Hardthoehe had bungled not only in the Tornado matter. He mentioned that army Chief-of-Staff Hans Poepfel had conceded that he did not really need all of the 1,800 Leopard 2 tanks ordered; 1,500 would be sufficient.

When the general later protested that he did not wish to be misquoted in such a manner, Apel made a quick retraction. On Wednesday, in the Defense Committee, he assured CDU defense chairman Peter-Kurt Wuerzbach that he had no idea where the tank rumors had come from. Said Apel: "1,800 is the minimum."

His colleagues lapsed into embarrassed silence. Wuerzbach stated publicly what they had only been whispering: "Apel is gradually talking himself into a hole."

9273

CSO: 3103

IMPLICATIONS OF 'TORNADO' AFFAIR FOR DEFENSE, APEL

Hamburg DER SPIEGEL in German 2 Feb 81 pp 28-32

[Article: "'There Will Be a Rude Awakening'"]

[Text] As far back as October 1979, Hans Apel was in a position to realize that the Tornado plan was a mistake; yet he allowed things to drift. So now the defense minister, until recently still talked about as a possible successor to Schmidt, finds himself in the most serious crisis of his career. Politicians of the opposition are not alone in doubting that Apel is still up to his difficult job.

Bonn Defense Minister Helmut Schmidt extolled the bird even before he was in sight as "the greatest technological project since the birth of Christ," raving boldly that it could "form the basis of the future air force armament for West Europe."

That was in the early seventies. Early in 1981 the "wondrous bird of aviation," as the then British prime minister of Great Britain, Harold Wilson, called it in 1971, is a greater credit to its name--Tornado--than to its prophet Schmidt.

In the turmoil about the new plane of the Bundeswehr [FRG Armed Forces], before long the chancellor's defense minister, Hans Apel, might perish ignominiously--and with him the West German armament scheme for the nineties.

As yet, the minister, a year ago still the Social Democrats' first choice to succeed Schmidt as chancellor, with an irony directed against himself is joking about his own development from "Sonnyboy to crown prince to candelabra."

In truth Hans Apel, many comrades believe, has got to a point where at the very next row he will call it quits in Bonn to retire to his hometown of Hamburg--replacing Mayor Hans-Ulrich Klose, who is tired of his job.

Hans Apel is the fourth defense minister to be toiling with the Tornado. The plane has been in the headlines for almost 15 years now. For a while it was a subject occupying six NATO countries. No armament project has been the subject of such long and such violent controversy as that concerning this multirole fighter plane, which is to replace the Starfighter in the Bundeswehr by 1988 and which is being produced jointly by the Germans, British and Italians.

In the opinion of Georg Leber, successor to Schmidt and predecessor of Apel at Hardthoehe, one thing was certain: "There is definitely no plane that would do the job as well and that would be cheaper."

As for the job, that still remains to be seen. Though ready to take to the air, the twin-jet fighter bomber at present is still far from ready for action.

In turn, one thing is already certain: at a price of DM 35.2 million a piece late in 1979 and a system price of 67.5 million, it is the most expensive fighter plane ever to have been built. As a bonus, it has produced a military industrial complex hardly anyone can control any longer.

And, having just fledged, it is presenting the defense minister with the most serious crisis of his political career. As the first bull's-eye, Hans Apel might fall prey to the superbird.

The only ones for the time being to be entirely satisfied with the new equipment, which has been coming off the assembly line since last fall, are the flight personnel. "I have now had 80 flying hours with the Tornado," reports Maj Hartmut Jung, "and have had to break off only a single flight so far." This high a rate, the major says, was not exactly a frequent occurrence even in the case of the well-tested planes of the Bundeswehr--the old Starfighter or the proven F4 Phantom.

Air Force Inspector Friedrich Oblesser says about the flight experience with the two-seat swing-wing plane: "Our expectations have been exceeded."

While this is certainly more than has been feared by critics and hoped for by advocates, now, of all times, when the plane seems to be heading for calmer weather, Hans Apel is being shaken by offshoots of the tornado.

A deficit of DM 1.2 billion in funding the Tornado has broken the hearty Hamburger's stride to such an extent that now politicians of the opposition are not alone in doubting his qualifications for the difficult job he holds. In the coalition talks already, in the presence of the amazed Liberals, Apel has to put up with the chancellor snapping at him: Did he still not have his place under control? Surely he had been at Hardthoehe long enough?

This time Defense Minister Apel will not be able to wash his hands of the affair with a casual remark as Finance Minister Apel had still managed to do in 1975. At that time, when criticism against some peculiar features of the tax reform was becoming increasingly vocal, the minister pretended to be surprised, saying: "I thought I had been hit by a horse."

It was not he who was at fault but his officials, whom he blamed mercilessly for the failures.

While now too, verbosely at first, Apel affirms that for a long time, until 17 November 1980, he was "in a state of innocence," the CDU/CSU opposition, through old connections with conservatives at Hardthoehe, has long since got hold of proof that, though not very clearly, the minister was advised in time of the threatening financial trouble.

As early as 2 October 1979, the official dealing with the Tornado budget stated that the 1980 budget for the plane, at "1,200 million (was) extraordinarily low." There was a danger that the Tornado procurement authority, Namma, in Munich, created by the participant countries--the FRG, Britain and Italy--"as of the fourth quarter of 1980 will no longer be able to pay the invoices presented by industry."

On 9 January 1980 the department heads planning committee went on record with the fact that at least an additional DM 1 billion would be needed for 1980 and 1981. One month later the responsible budget official specified that a "deficit of DM 350 to 400 million" was to be expected as early as 1980.

On 29 February the package of prognoses, labeled "urgent" by the now retired Under Secretary for Armament Karl Schnell, finally landed on Apel's desk. The minister, as usual, decorated the document with his green boss's initials.

Whether he actually read the pile of papers, Apel himself, as he meanwhile conceded to the Defense Committee, does not know for sure.

His excuse: A minister could not be expected to read in addition to a memorandum a 48-page file enclosed with it.

One thing is sure: The item "Tornado funding problem" is also noted in the table of contents on the cover. This chapter comprised 1 1/2 typewritten pages and definitely was not only "in the conjunctive mood," as Apel now says as an excuse.

A second warning was not heeded either. On 28 May Inspector General Juergen Brandt wrote minister that reasonable military planning was no longer possible "within the prescribed budget," and that he could no longer rule out action with a view to changing the plans already approved by parliament.

A couple of days thereafter, Apel reacted succinctly, saying that he was familiar with the bottlenecks.

Thenceforth all references to lacing funds by the officials in charge of the file were blocked by higher ranking civilian and military officers with the remark that the minister was familiar with the situation. After all, the warning existed in writing. No one sounded the alarm.

No assistant secretary, no general objected when Apel had the following official statement issued on 30 July: "The high costs of modern weapons systems time and again lead to...discussions as to whether the Bundeswehr can fund the ordered new generation of weapons. The federal budget law and the fiscal planning by the federal government insure this even when it is a question of long-term and expensive procurements."

Under Secretary for Armament Schnell even issued instructions on 5 September that the Tornado Annual Report requested by the Bundestag deputies "not be submitted to parliament for the time being because of questions which have not yet been clarified."

The budget and defense spokesman of the parties in parliament, despite their reminders, will have to wait further; Apel issued instructions last week for the report to be rewritten.

The key point in the new manuscript is to be a clarification to the effect that in the turmoil about the Tornado it is a question not of a price explosion of the equipment, so expensive anyway, but of wrong planning.

When the manufacturing firms were lagging behind by 12 months at the start of the assembly line production, they submitted a catchup program "P 19" under pressure of the procurers. The Defense Ministry and the Namma coordinating office agreed, going so far as to threaten with stipulated fines if the plans were now not fulfilled on schedule.

Privately, however, the military buyers, as the correspondence shows, were convinced that the firms would not be able to manage, and budgeted for correspondingly low amounts.

But industry turned out to be right. The assembly line went faster, and faster, and the invoices accumulated.

The whole extent of the serious funding problem, signs of which had become apparent in February, was revealed publicly after the 5 October election when Apel was compelled to reply to a letter by his CDU opponent, reserve air force major and Bundestag Deputy Manfred Woerner, of 30 September. The letter by the Christian Democrat began with the pregnant words: "I have just learned from a reliable source."

Only now did the defense minister do what his job demanded: he finally enquired. The truth was so sad that it had to be wrested from him by the deputies piecemeal, while he got entangled in contradictions more than once.

For days the 48-year-old Apel seriously considered resigning and dreamed of becoming a farmer at last. Then he pulled himself together, saying: "I will not desert my post."

Toward the end of the year he became cocky again before the Defense Committee, saying: "Just give me a million marks and we won't have to talk about the Tornado any more." Coolly, his party colleague Heide Simonis countered: "That's what you think."

For in the meantime, Apel's reputation had also suffered among his own comrades. Gone is the credit advanced to him by his party colleagues, including the chancellor, on his assuming office following the resignation by Georg Leber in February 1978.

With 4 years in the post of finance minister behind him and, on top of it "someone," according to Apel himself, "who turns over every mark three times," he seemed as well suited as hardly anyone else for coping with the billions of marks' worth of obligations incurred by the busy weapon procurer Leber.

Even the fact that Apel, as someone who had not been in military service, did not have any military experience whatever to his credit, looked rather like an advantage. Expectations were that, more than Leber had done, he would keep a critical distance from those in uniform and maintain the proper priority for the political side.

And the political pro Appel went to work with unconcerned rapidity. In his first visits to the troops, he engaged in relaxed conversation with soldiers. At NATO in Brussels, he opposed military people talking politics--primarily the then supreme

commander for Europe and present Secretary of State Alexander Haig. And at home too he did not tire of stressing the primacy of politics again and again, saying: "I am not only a Bundeswehr minister."

No sooner had Apel taken office than he stopped the all too ambitious projects of his military.

Inspector General Harald Wust, in addition to the army, air force and navy, wanted to establish a fourth branch of the armed forces which would deal exclusively with supply and transportation. The expense would far exceed the benefit, the new minister decided. Wust rebelled and finally took his leave.

Army Inspector Horst Hildebrandt on Apel's orders had to drastically curtail his plans for reorganizing the army. Hildebrandt obeyed; things worked with fewer soldiers and less money, Apel exulted.

At the same time, however, the new boss sought to insure the good will of the generals through small gestures, but noble ones as far as the military was concerned.

When he first entered the office of his predecessor, he was bothered by the military flag which, following the U.S. example, had been placed behind the desk. "That has to go," he said.

Pouting, the inspector general painted "disastrous consequences for the morale of the forces." Since then Apel has been stationed in front of the black-red-gold cloth, and the morale appears to have been saved.

The clicking of heels, receiving and greeting, he made known some days later, he did not like and would never learn. A year after having taken office, he professed that there was such a thing as getting accustomed to something: "Now I too click my heels."

Another year and he had lost his irony. A changed man, he said: "One simply cannot 'smile at oneself critically' all the time. The office makes the man, he said; 'identification with one's office is indispensable.'"

For months the desk-jockey generals at Hardthoehe argued about a question of war or peace, namely over whether at the height of summer a soldier in an open shirt had to cover his head. "They are mad," Apel remarked among friends.

Then he allowed the subject of caps, put on the agenda of the department heads' staff conference, to be raised to the level of a question of principle and finally--without a decision--to be discussed longer than the funding of the tornado.

The "learned civilian" (Apel about Apel) fell into cadence completely when the public swearing in of recruits at the Weser Stadium in Bremen met with SPD resistance in May 1980, ending up in a street battle provoked by rowdies. He stubbornly rejected all proposals by his employees to commemorate the 25th anniversary not with a military tattoo--"Helmets off, pray!"--and a pompously martial spectacle but with open barracks gates, exhibits and discussions.

The defense minister was plagued by the ancient fear of the SPD lest the conservatives as usual, and this time in an election year, defame the Social Democrats as "unpatriotic fellows." Surrounded by bearers of oak leaf clusters and stars, he put out of his mind the fact that 18- to 20-year-old recruits are no longer willing to listen to and repeat without demur the theses of defense of the fatherland and of military enthusiasm--and certainly not to drumroll accompaniment. The citizens in uniform subject to military service have their own worries, and these have to do more often with young citizens' problems than with difficulties of people in uniform.

Just as his vocabulary changed, abandoning a civilian's unself-conscious mode of expression, so Hans Apel changed himself. Without asking any parliamentary deputy's advice, the supreme commander highhandedly created crosses of honor made of stamped tin, though he personally, "convinced Hanseatic" that he calls himself, rejects decorations.

More and more clearly the federal minister for defense became and is becoming a federal minister for military matters.

Suddenly Apel was no longer satisfied that the armed forces should enjoy only "benevolent indifference" in public. "The social prestige of NCO's and officers," he complained, was "too low." Of those subject to military service, he soon demanded that they not merely go along but enjoy doing their duty, saying: "One must also be able to serve."

At the jubilee celebration on Muensterplatz in Bonn finally, amid the boos of thousands of young people, he attained the format of predecessor Leber by beginning his address with a simple "My soldiers." His generals could not have put it better.

In the financial whirl about the Tornado, Arpel's reputation of being a well-versed treasurer has also been placed in doubt. But actually he apparently never had the Hardthoehe billions under proper control.

In 1978, for instance, shortly after having assumed office, he announced that the Bundeswehr would buy 40 billions' worth of new weapons by the mid-eighties. In 1979 he spoke of 50 billion; early this year, in a television discussion, even of "55 to 66 billion."

How these enormous differences have come about, he was not really able to explain properly.

He ought to have been, though. "There will be a rude awakening," predicts FDP defense expert Juergen Mollemann. Unless the funds for armament provided for in medium-term fiscal planning are replenished above average, there will be a shortfall by 1985 of at least DM 10 billion just to pay for the weapons already ordered--Tornado, Alpha Jet, Leopard 2 tanks, frigates and corvettes.

The consequences are already making themselves felt. Since the Tornado invoices have to be paid first, other items in the 1981 armament budget, such as research and maintenance, had to be curtailed. Asked about the consequences by the Bundestag deputies, the Hardthoehe budget department has now submitted a confidential report.

According to it, "valuable specialists" in research institutes had to be dismissed, and private manufacturers are receiving fewer orders. The Bundeswehr cannot practice much any longer and "therefore is no longer in a position to keep its equipment ready for operation at all times."

The Bundeswehr as a sloppy army on a scrap heap--only very conditionally ready for action?

Without money and without a detailed plan, nothing remains of Apel's intention to debate "without taboo" the organization and armament of the Bundeswehr in the nineties at a closed conference in March. Despite the fact that the weapons of the next decade should now be put on the drawing boards, the defense minister continues to postpone the problems.

Nevertheless he is beginning to realize that perhaps it might be more advisable after all not to rely only on the expertise of his generals and top officials. He is trying to learn and now wants to adopt the proposal of liberal defense politicians that independent experts should develop alternatives.

He has already revised his prejudice that in the future too it will "never be possible to do without" tanks, ships and planes. Now he thinks that perhaps cheaper wheeled vehicles and missiles will be able to do the job.

Apel is even ready to consider a taboo--the doctrine of presence which demands that 495,000 Bundeswehr soldiers be at the ready at all times. Following the Swiss and Swedish example, it might be possible for small cadre and maintenance units consisting only of officers and NCO's to be reinforced with trained reservists and put into action in an emergency in a matter of a few hours.

Helmut Schmidt, when he was defense minister, had already toyed with this idea with a view to restricting army personnel costs. Today almost half (43.5 percent) of the defense budget (DM 41.2 billion in 1981) goes for pay and social and welfare measures.

"Hans, I strongly advise you to get yourself economic expertise," the chancellor recommended to his onetime favorite minister. It seems pretty late for that--too late to raise the needed billions in a federal treasury swept clean, and too late to come up with proper conditions in the Tornado procurement program.

For evidently the jet fans in the air force, industry and government at times manipulated prices in order to make the Tornado ready to fly more quickly.

Thus the costs for the necessary changes at the future Tornado bases--hardening of runways and reconstruction and new construction of bomb-protected shelters as well as of maintenance and warehouses--at one time were set at DM 200 million in all. Now the fixing up alone of the Jagel Airport, whose Naval Air Squadron 1 is getting the Tornado, will cost DM 130 million.

More striking was a strange game with the costs of spares for the plane. In their effort not to have the Tornado program founder in the end because of expense, the procurers had reduced the basic equipping with spares from 50 percent to not quite 25 percent of the price per unit.

The consequences of this are already apparent at the Cottesmore air base in central England, where the British, Germans and Italians are training their Tornado flight instructors on the initial lot of planes. Since, in accordance with the orders, industry is producing less, spares have to be manufactured time and again on special and rush order--sometimes at 10 times the mass production price.

Funds for armament are lacking as well. The so-called distance weapon--probably the U.S. Maverick missile--which can be fired outside the range of enemy air defense and then be guided by screen to the target, for lack of money probably cannot be purchased before the end of the decade.

At present the most important piece of combat equipment of the Tornado, apart from nuclear warheads, is being tested--the spray weapon MW 1 suspended under the fuselage. In a matter of a few seconds, it ejects from 112 barrels 4,000 small bombs and mines and is intended for firing on airports, supply depots and tank formations. So far test results have been unsatisfactory.

By 1988, it is to be feared, when all 322 ordered planes will be ready for action with their units, the very complicated system will already be antiquated or will have to be modernized at enormous expense. The Tornado crews at Cottesmore, England, are convinced that, as German Tornado Major Jung put it, "the Russians will lag behind the thing for another few years." That is just it: it is only a matter of years.

To the critical level, for which the Tornado was built, the Cottesmore crews have not flown anyway. In the automatic low-flying mode, during which the jet copes with any change in terrain on its programmed route with "terrain-following radar" (TFR), they have so far not gone any lower than 500 feet (about 150 meters). In the case of defense, the Tornado in pitch darknesses--if need be, supersonically--is to fly under enemy radar at an altitude of 30 to 60 meters--a hellish ride over hedges and hills ("under the fence," according to the promotion put out by the manufacturer Panavia).

But to their horror the leading staff people of the air force now realize that in their lowest flight their billion-mark piece of equipment might be endangered by a long forgotten primitive British weapon of World War II--barrage balloons.

The low-flight radar of the Tornado works so accurately that it makes out even power lines and automatically passes over them. Barrage balloons put up with connecting ropes in the vicinity of airports or supply depots could therefore lure the Tornado from the security zone. For some seconds, it would become visible to enemy electronics and come within the sights of air defense.

The Western military hopes that the expense of such a barrage system--right through the Warsaw Pact territory--would be too high. Moreover, Air Force Inspector Obleser trusts the ability of NATO reconnaissance to make out the barrage balloons, saying: "We would cope with that."

In turn, there is danger for the Tornado from above. For the Soviets too at present are developing what is called "look-down capacity" in military jargon--something which is already standard equipment of modern U.S. F15 fighter planes. A radar screen also provides the pilots with detailed pictures of what is approaching below them--in other words, also in low flight.

In 5 years at the latest, NATO experts estimate, Eastern fighter planes too will have suitable weapons to be able to fight supersonic-speed low-flying aircraft. The consequences for the Tornado, whose computer innards providently have room for further electronic interference equipment, are beyond doubt in the view of leading air force personnel: without protection against fighter planes, the employment of Tornados becomes an ineluctable risk.

Nice prospects for the defense minister, who a short time ago allowed the European project "Tactical Fighter Plane 90" to go up in smoke as being too expensive. To meet the demands of the military, he would have to buy U.S. equipment--but from what billions?

In September 1974, when the Bonn cabinet approved DM 1.2 billion for developing the Tornado to the point of assembly line production, Georg Leber had a large model of the bird rolled into the cabinet room, also to impress the finance minister.

Chancellor Schmidt viewed the giant toy with a certain reserve, asking: "Will we also get delivery of a parachute?"

The question remains topical.

8790

CSO: 3103

GENSCHER MEETS WITH FDP OPPOSITION ON ARMS EXPORT POLICY

Hamburg DER SPIEGEL in German 2 Feb 81 pp 17-21 excerpts

[Excerpts] Chancellor Schmidt is not the only one who has problems with his party. Vice Chancellor Hans-Dietrich Genscher, who has been complaining for weeks about his coalition partner's incalculability, is coming under fire by his liberals. Above all, annoyance over the planned arms exports to Saudi Arabia has accrued in Bonn's FDP fraction.

Hans-Dietrich Genscher has been complaining for weeks that the opposition of many Social Democrats to the government in central issues such as nuclear energy, voting rights, and especially defense policy, is gradually making the big coalition partner "unfathomable" for him and for his FDP. The foreign minister, with burrowed brow and worried expression, especially likes to elaborate on the waning enthusiasm for defense under the "Sorzis."

No sooner had the Berlin coalition rifts been mended through Hans-Jochen Vogel's efforts in Schoeneberg, when the head of the FDP saw new occasion for his old fears. The motion of the 24, who want to spend less on arms and more against world hunger (text: "Our motion shall be a beginning") was immediately followed by attacks by the SPD's leftist dissident Karl-Heinz Hansen and his friends Manfred Coppik and Kalus Thuesing on the chancellor, on rearmament and arms export. The magazine KONKRET quotes Hansen: "An obscenity."

Genscher has of course little reason for getting upset over an alleged lack of loyalty from Social Democrats. While he sneered everywhere about the steadfastness of the others, the anger in his own party was similar to that in the SPD. On Monday of last week the anger in the FDP fraction rose during a discussion over arms exports.

According to one delegate, Friedrich-Wilhelm Hoelscher: "We could hardly endure it--it was as if only parts of the SPD were sensitive. It has been exactly the same with us for weeks."

During the 4-hour debate an argument broke out over a "position paper of the FDP fraction," coming from Juergen Moellemann. One passage in particular, under number 2, caused general annoyance.

There, the often forward Moellemann had laid down the criteria according to which arms should be exported in the future: "Instead of using the criterion 'area of tension,' the relevant criteria for a permit should be (a) the furthering of peace and stability in the region, and (b) the FRG's foreign policy interests.

Although Genscher had already asked at the beginning of the discussion that rather than the tank exports desired by Saudi Arabia, general measures governing arms export be discussed, many suspected that any approval of the Moellemann suggestion would ultimately be thought of as condoning the deal with the Saudis.

Many, among them fraction leader Wolfgang Mischnick, were angry because the clever delegate had presented his ideas as an FDP paper. In addition, Moellemann made the impression that all opponents to the arms trade could simply be divided into leftist nuts or Israel lobbyists.

Helga Schuchardt enthused afterwards: "It was an hour for parliamentarians, at the end it was clear that the concept of 'areas of tension' must not be softened--for historical, moral and foreign policy reasons. According to Mrs Schuchardt, 'Genscher has learned a lot.'

Support was especially strong from his state secretary in the Foreign Ministry, Hildegard Hamm-Bruecher, who gave a reminder of lessons learned in the recent past. After the war it had depressed her "that as a German she would never again be able to carry her head high in the world." Now, if the FRG supplied Israel's enemies with arms, "she would no longer be able to look at herself in the mirror."

Already now, said the Bavarian liberal excitedly, the German Near East policy is no longer balanced, but "questionable," because it has come too close to the Arab position.

"I know," added Genscher's helper, "that what I say can have consequences for me." The foreign minister answered: "I can no longer follow you intellectually."

Burkhard Hirsch, former minister of the interior from Duesseldorf, also spoke of "historical responsibility." He is upset about the fact that German arms could be deployed against survivors of German concentration camps.

Other Free Democrats voiced doubts that tanks would maintain peace in the Near East. Hoelscher asked pointedly whether the FRG should intervene militarily in case of alert, in order to stabilize the region: "If securing the source of oil is the subject of debate, we may end up finally discussing cocoa."

There were repeated protests when Genscher or Mischnick summarized what had been said. It seemed too vague to the critics, the wish for stricter export limitations not clear enough. When Ingrid Matthaeus-Maier finally asked: "Is it clear now, that number 2 of the Moellemann paper is deleted?" Genscher replied angrily: "Don't you trust me?" The answer: "I have had bad experience with oral summaries."

The FDP leader had not expected such resistance. Genscher asserted that he did not want to be the one wanting to sell arms at any cost. And he made it clear, without mentioning Schmidt, that he was obligated to no one. "I feel free, internally and externally."

But even after the stormy debate, many a liberal is still not sure just what the party chairman thinks about the tank deal with Saudi Arabia. He asserts: "I am not furthering this thing"; he favored the present export policy which has proven "satisfactory by and large."

He also tactily agreed when leftist delegate Kalus Gaertner said: "Our arms export must be limited to NATO." But Genscher's officials in the Foreign Ministry give quite different reports about what their boss really thinks.

The diplomats have the sure impression that the foreign minister will approve of the arms exports under the label of a changed German interest position, and that he will attempt to do away with the term "area of tension."

Genscher's close associate, Klaus Kinkel, presently head of the Federal Intelligence Service, allegedly took part in the preliminaries to the future export doctrine for arms. As early as 2 1/2 years ago, Kinkel, then head of planning in the Foreign Ministry, submitted a plan showing several "openings," (Foreign Ministry jargon), loopholes which can facilitate arms exports.

According to Foreign Ministry plans, the term "area of tension" should be declared unsuitable because, according to Genscher, there is "no area that is without tension."

In addition: Wherever the Soviet Union creates tensions with its arms supplies, for example, on the borders of South Yemen, Saudi Arabia's neighbor, the balance must be "stabilized" in the interest of the global balance of power, according to Foreign Ministry philosophy.

Besides that, Bonn cannot constantly squeeze Third World nations into categories such as tension and relaxation of tension. "We cannot presume to be the praeceptor mundi," in the judgment of one diplomat.

It appears as if a joke could become the doctrine of Bonn's security policy. If arms were delivered, joked Bonn's ambassador to Tokyo Guenter Diel, then they should be delivered exclusively to areas of tension, because only there could they be put to good use.

Wherever the regional balance of power in the world appears threatened, the West wants to intervene nonmilitarily. The FRG's role appears unambiguous, according to Kinkel's concept, if the FRG does not deploy soldiers outside of NATO boundaries: arms deliveries of German production are to serve as a vehicle for a Western policy of stabilization and curtailment.

9328

CSO: 3103

DEBATE CONTINUES ON EASING ARMS EXPORT RESTRICTIONS

Arms Industry Leaders Comment

Duesseldorf WIRTSCHAFTSWOCHE in German 6 Feb 81 p38

[Text] In the following interview two leading representatives of industry --Frank Baer, a member of the board of Rheinmetall Berlin AG and Sepp Hort, assistant managing director of Messerschmitt-Boelkow-Blohm Ltd-- publicly state their views on the controversial arms export issue for the first time. Their comments are sure to touch off a new round of discussion on this topic-- not only inside the country but even more so abroad.

WIRTSCHAFTSWOCHE: Is there any reason for liberalizing German arms at present ?

Baer: In the past, important sectors of the research and production capability of German arms technology could not be sufficiently utilized because of the time lag in introducing new material in the Bundeswehr. In foreign countries, full utilization of capacity is achieved by letting export orders take up the slack. The reasons for following this international practice are not only economic; export of arms technology also is fully compatible with the peace policy commitment laid down in the Basic Law.

Hort: The wrong terminology is being used in this liberalization discussion. We should turn an effective embargo policy into an instrument of our foreign policy.

WIRTSCHAFTSWOCHE: Has liberalization not entered the arms field long since by way of international cooperation ?

Baer: At this time, there is only partial international cooperation in the arms field. Furthermore, such cooperation agreements as there are have tended to limit the number of recipients of German arms technology.

Hort: No. There are some products that offer export possibilities via our foreign partners. These export opportunities often do not conform to German policy precepts. They also often touch in an unpleasant way upon the interests of the German cooperation partner. If, for example, a foreign partner of ours offers to sell missiles as part of an international cooperation program, the German partner is not in a position to deliver the appropriate aircraft, such as helicopters, if they are not included in the cooperation agreement but are subject to international competition.

WIRTSCHAFTSWOCHE: What, in your opinion, should replace the principle that German arms be under no circumstances delivered to crisis areas ?

Baer: The political leaders have let it be known that credible and convincing answers are being sought. There was general agreement on the decision to concentrate on the definition of the term "crisis area." Any new criteria will also have to be tested from the viewpoint of the credibility of our foreign policy. Peace research has established the relationship between peace policy and the exportation of arms technology. These scientific investigations have found that exportation of arms technology can contribute to a relaxation of international tension. This means that the term "crisis area" must be subject to mandatory retirement.

Hort: The principle should make way for a sensible embargo policy and a precise definition of the intentions of possible recipient countries. Maintenance and spare parts are of such importance for these countries that there is a certain possibility of leverage once they have been supplied with arms technology. I would remind you of the onetime dependence of Egypt on the Soviet Union.

WIRTSCHAFTSWOCHE: Would it not be better to sacrifice jobs than to give up on this principle ?

Baer: We should not lose sight of the job market: there are 40,000 jobs connected with arms exports in the FRG. We know from experience that a loss of jobs in the arms industry leads to a loss of jobs in other sectors of the economy. This applies to arms exports in particular.

Hort: These jobs are not of such great concern to the so-called arms manufacturers. One must look at these things from a broader economic perspective. If we want to sell steel mills, refineries and other industrial products to third-world countries, we will be expected to sell them the necessary equipment for their armed forces within the framework of economic-technical capabilities and the exigencies of the political situation then and there

applying. If the very restrictive export policy continues, we may find ourselves being outmaneuvered in third-world countries at the expense of third parties while at the same time selling steel mills to Warsaw Pact countries on credit.

Views of Union Leader

Duesseldorf WIRTSCHAFTSWOCHE in German 6 Feb 81 p42-43

[Text] Metal workers union president Eugen Loderer is against an increase in arms exports. In an interview with WIRTSCHAFTSWOCHE editor Manfred Gburek, Loderer clarifies the trade union point of view.

WIRTSCHAFTSWOCHE: You are against relaxing the restrictions on German arms exports. Why ?

Loderer: We are opposed to an increase in arms exports on political and moral grounds. We also do not consider this a meaningful way of conducting economic or labor policy. In a world which already has more than its share of weapons of mass destruction, everything must be done to keep this destructive potential from expanding further.

WIRTSCHAFTSWOCHE: What would you do, if the government rescinded its restrictive policies ?

Loderer: We have done what we could to see that our views have an impact on the political level-- by adopting resolutions at our union conventions; by issuing the appropriate public statements and by conducting numerous conversations on the subject. We would very much deplore such a policy change; above all because it would make it more difficult in the future to defend against additional requests for arms exports both on the part of industry and the countries concerned.

WIRTSCHAFTSWOCHE: There are 300,000 people working in the German arms industry. Are they not interested in keeping their jobs most of all ?

Loderer: There are only about 230,000 arms-related jobs in the FRG and of these only about 30,000 are related to arms exports. It is very important to look at these figures realistically. In addition to that, the question of saving these jobs is not under discussion. Our position has always been that those jobs which are related to arms production must be guaranteed. Following thorough talks with the workers' councils in the arms industry, we submitted appropriate recommendations and demands to the government such as long-range plans for research, development and production as well as state controls for maintaining and increasing the share of civilian production of the firms concerned.

WIRTSCHAFTSWOCHE: If arms exports were liberalized, would that not create hundreds of thousands of new jobs in the FRG over the next few years ?

Loderer: As I indicated just now, we are not talking in terms of hundreds of thousands. Even if we doubled our arms exports, that would give us only an additional 30,000 jobs. And that does not take into account that this increase which we most certainly do not want would be achieved at the expense of other countries. So, I can only echo what defense minister Hans Apel said-- that German industry can turn out quality products and stay internationally competitive in other and better ways in order to guarantee existing jobs and create new ones. Even without an appreciable share of the arms export market, the German export industry is doing extremely well internationally. We must also recognize that jobs created on the basis of increased arms exports would not be secure at all.

WIRTSCHAFTSWOCHE: Suppose we get no oil from Saudi Arabia any more because the Arabs insist on linking their oil deliveries on our exporting arms to them. Would that not pose a threat to too many jobs ? And could the OPEC countries not lure us into doing business with them by including civilian goods in their orders ?

Loderer: Over the past several years, we have been able to improve trade relations with the OPEC countries without increasing arms exports to them. I see no reason why that should not be possible in the future. Civilian goods produced by German industry are of such high quality that they have sold on the world market and will continue to sell without our having to resort to combination deals. Until now, as we know, the proportion of such deals has been quite insignificant. And as for the future, my feeling still is that increasing arms exports can in no way be tied to our energy policy. Together with our allies, we must apply all the political pressure at our command in order to avert linkage in this field. That also applies to capital transactions that include consumer goods. I can well imagine that this will not always be easy. But if we want to have world peace, detente and disarmament, then this not only applies to the big power blocs in East and West but particularly to the third-world countries and the threshold countries.

WIRTSCHAFTSWOCHE: Should the arms export restrictions not be liberalized in the case of shipyards at least ?

Loderer: Our basic position provides for no exceptions. If we were to let the shipyards pass today, we would have to let the tank manufacturers and the electrical industry pass tomorrow.

WIRTSCHAFTSWOCHE: What alternatives are you proposing to the government in order to guarantee the jobs in the German armament industry ?

Loderer: We are asking the government to stick to its 1971 decisions which also form the basis of our own position. If this policy is upheld, I am sure that those not employed in arms-related fields will not have to fear for their jobs, either. Beyond that, we would like to see the demands met that I mentioned earlier. They would also include a certain schematization of Bundeswehr procurement programs so that longer-range personnel and production plans could be worked out. And finally, our trade union conventions have also called for the initiation of a gradual changeover from military production to the production of consumer goods on the basis of sophisticated technology. I am sure that both the countries of the third world and the threshold countries would benefit a great deal more in terms of improving their standard of living from high technology consumer goods than from a constant increase in a massive potential for annihilation.

WIRTSCHAFTSWOCHE: You recently said that the job figures in connection with arms exports are being systematically inflated. What do you mean by that ?

Loderer: You have used some of these figures in your questions. The figures are being introduced into the public discussion, I think, with a purpose, continuously. There is no such thing as "hundreds of thousands of jobs" in arms production and even less in arms exports. I would like to see all these questions discussed on the basis of realistic figures for a change. And then the simplistic argument "job security through arms exports" will fall apart."

WIRTSCHAFTSWOCHE: About two-thirds of the arms exports have gone to third-world countries. Is there a way back ?

Loderer: First of all, we have got to see that they are not increased further. For that matter, the report prepared by the North-South commission under the chairmanship of Willy Brandt should make us think about how we might reduce the existing volume of arms exports and arms trade internationally. I, for one, am not fatalistic enough to believe that political developments are unstoppable and, as it were, inexorable. The world must be made aware of the fact that the production, storage and accumulation of more and more weapons is not the way to make the world safer but only to make it poorer.

WIRTSCHAFTSWOCHE: If we do not supply arms to the third-world countries, others will. Is that all the same to you ?

Loderer: Not in the least; but I do not think that the behavior of other countries can serve as an example for us or that we ought to take our cue from them. I realize, of course, that solutions on the national level can be remarkably successful in the final analysis. That is why the metal workers union has emphatically and consistently been calling for an increase in all efforts aimed at achieving internationally controlled and balanced disarmament.

WIRTSCHAFTSWOCHE: What position are you advising the factory councils in the German armament industry to take ?

Loderer: I think that our position as I have just explained it is just as plausible for our colleagues in the armament industry. I am sure that instead of the jobs that would be secured through increased arms exports we can find other ways of achieving job security through appropriate longer-range planning. We are constantly in touch with the factory councils in these industries. In principle at any rate we agree that increasing arms exports cannot serve as a means of conducting labor policy.

9478
CSO:3103

POEHL ON INTEREST RATE, WAGES, EXPORT CHANGES

Bonn VORWAERTS in German 22 Jan 81 p 8

[Interview with Bundesbank President Karl Otto Poehl by Rudi Mews and Nikolaus Piper: "Real Wage Increases: No More Latitude?"]

[Text] VORWAERTS: Mr Poehl, the labor administration is now registering more than 1 million unemployed people. To strengthen the employment policy, the Bundesbank should lower the interest rates. Why is it not being done?

Poehl: I am also of the opinion that our interest rates are too high, considering the employment situation. The fact should not be totally overlooked, however, that our interest rates are the lowest in all larger industrial countries. As long as interest rates, particularly in the United States, are so high and as long as the pressure is so strong on the German mark because of the interest difference, it is difficult to do what would be desirable from the viewpoint of employment policy. It is always very difficult to prevent our interest rates from rising even higher.

VORWAERTS: In other words, the Bundesbank is running after the American policy of high interest rates--without any noticeable success: The capital export took place in spite of it, the balance-of-payments deficit remained in spite of it and the German mark was devalued anyway.

Poehl: No, I do not think that you can say that. Naturally, without our policy the situation would be much more unfavorable. If we were to run after the American interest rates, if our credit policy had been oriented purely toward our foreign policy, we would have had to raise our interest rates. But last summer we even tried to relax the brakes on credit somewhat.

VORWAERTS: The high interest rates in the United States are unreasonable...

Poehl: I do not share your opinion. In October 1979 the American note-issuing bank changed its policy to one of strict control of the money supply. As a consequence, it puts up with fluctuations in the interest rate. Opinions on this matter differ. We avoided something similar, although we are also pursuing a policy of money supply. But the goal of the American monetary policy must be applauded even from our viewpoint.

VORWAERTS: Why?

Poehl: They want to reduce their extremely high inflation rate. That is also in our interest: The oil countries are keeping their assets in dollars. If inflation in the United States is galloping, the oil countries will try even more than they have done to date to compensate for their losses in income and assets with price increases. The problem, however, is that it is apparently not possible to have simultaneously a strong dollar and a strong German mark.

VORWAERTS: We adjusted to the first oil shock so well because our oil bills were lower due to the weak dollar.

Poehl: Yes, it had something to do with it. One of the main reasons, however, why we survived the first oil crisis better than others was probably the fact that we had already entered the recession and had enough free capacities at our disposal to meet the strong demand by the oil countries and that we had the right products available for export.

VORWAERTS: Sooner or later the OPEC money will come back. Is that not an occasion to change the policy of high interest rates?

Poehl: After the dollar, the German mark is the second-most important reserve currency in the world, although it follows at a great distance and although at one time we objected to it. Last year, however, we profited from it because a by-product is the confidence in German economic, financial and monetary policies. The OPEC countries were willing to acquire German certificates although their interest rates were considerably lower than the interests on dollar or pound certificates and although there is absolutely no indication that the German mark will be revalued. The only motivation is the well-founded expectation that we will be able to overcome our problems also this time. We must do everything to maintain this confidence. Otherwise it will not be possible to continue financing our deficits at current conditions.

VORWAERTS: Does that mean low wages?

Poehl: Not "low"--after all, wages in the FRG are among the highest in the world. But moderate wage agreements are certainly playing a role as is a policy which will bring about a change in the tendency toward balance-of-payments deficits. A policy which will not only preserve the competitiveness of our economy but, possibly, even improve it. Also an energy policy which will lead to a decrease in our dependence on oil imports. Naturally, also the preservation of our social stability.

VORWAERTS: Improving competitiveness--are wage scales to be lowered even faster than during the past 5 years?

Poehl: It cannot be accomplished by the wage policy alone; nevertheless, the workers must, after all, also show an interest in keeping investments profitable, because the level of employment depends on it too.

VORWAERTS: But the current offer by employers cannot be the upper limit.

Poehl: I have too much respect for the autonomy of wage scales to get involved in current wage negotiations. But I have good reasons for confidence in the ability of labor unions to use good economic judgment.

VORWAERTS: Still, high wages and the demand on the domestic market...

Poehl: That is a theory which has often been refuted: the theory of the purchasing power of wages. In the FRG we have low nominal wage increases which could certainly mean high real wage increases. And that is the only thing which matters.

VORWAERTS: Does that mean that a real loss of wages--without even considering the social consequences--can actually be economically meaningful?

Poehl: I am not in favor of real wage decreases. Conditions are not that bad. But the latitude has become quite limited for real increases in income or, to be more exact, it has practically become nonexistent. Last year we had an increase in real income of approximately 1.5 percent. It corresponds more or less to the increase in productivity. In other words, we consumed the increase in real productivity ourselves and, as a consequence, we had to finance higher costs for oil by going into debt rather than by transferring part of the increase to those who presented us with a higher bill. Considering the fact that the level of real income is very high at the present time, a temporary stagnation would not be an unreasonable sacrifice and would, after all, have a positive influence on our foreign policy situation.

VORWAERTS: You said that at some time or other our low rate of inflation would lead to a higher exchange rate for the German mark. When will that happen?

Poehl: I certainly cannot make a prediction as to the exact time. But if we succeed in maintaining our lead with regard to stability when it comes to costs and prices, sooner or later it will become apparent that the German economy is able to meet international competition, and because of the unfortunate devaluation of the German mark last year it has become even more competitive. The revaluation of the yen against the German mark, for instance, decreased the Japanese cost advantage last year by almost 30 percent. When the world economy regains its collective strength, when world trade increases again, the German industry will get its fair share or maybe even a larger portion.

VORWAERTS: What do you think about the plans by the Federal Government to increase credits abroad?

Poehl: The Bundesbank supports the idea and is also in agreement with it. It is much better for the government to finance the balance-of-payments deficit in an orderly manner by borrowing money abroad than by reducing our foreign-exchange reserves or by totally uncontrollable money inflows, which could just as easily flow out again. Borrowing money abroad, however, does not mean that the public debt should be allowed to increase.

VORWAERTS: Why no higher deficits, is the stability law wrong?

Poehl: No, I do not believe that at all. But the instruments of the law of stability and growth cannot be applied to the acute situation. Considering the current foreign economic situation, I would not advocate a more expansive fiscal policy. Government budget deficits are already very high.

VORWAERTS: Also when compared internationally?

Poehl: At least from the historical point of view under German conditions. In 1980 we raised approximately DM 58 billion in net credits, which is more than one-third of the entire amount of money that was raised. If the public sector would make use of money and capital markets to an even greater extent, it could easily drive up interest rates and rather than promote growth and employment it would have a dampening effect. Another, even more important aspect is the fact that an expansive fiscal policy would certainly complicate our foreign economic problem, because, naturally, the balance-of-payments deficit would go even higher if public consumption and also some public investments would be increased. The necessary revival of the economy should come from exports and from investments that increase productivity. Rather than adding more economic programs, all the obstacles hindering investments should be removed--and I am not only talking about Brakdorf.

VORWAERTS: Where are we to export--to industrial countries with similar balance-of-payments problems or to the developing countries whose fiscal policies are about to collapse?

Poehl: You cannot ignore the fact that there are quite a few countries that have a much more favorable balance-of-payments situation than we have: not only the OPEC countries, also the United States and England, for instance. But you are also right, it is becoming more and more difficult for a number of developing countries to pay for their imports. On the whole, however, I am not pessimistic as far as our exports are concerned as long as we can maintain our lead in stability and productivity.

8991

CSO: 3103

CDU EXPECTS COALITION TO COLLAPSE SOON

Hamburg DER SPIEGEL in German 16 Feb 81 pp 24-25

[Article: "Worse and Worse"]

[Text] The CDU/CSU leadership is banking on a change of government in Bonn soon. The password Helmut Kohl has given out is: sit back and wait; do not obstruct.

With every passing week, Helmut Kohl and the CDU/CSU leadership are becoming more confident that the prophecy made more than 6 years ago by the seer from Bavaria will at long last come true.

On 19 November 1974 at the Hotel "Sonnenalp" near Sonthofen, Franz Josef Strauss, speaking to the CSU Land organization, had proclaimed: "Better to have more inflation, more unemployment and more budgetary chaos than to apply the cure we deem necessary... Things must get much worse for us to have a chance to be heard with our ideas, warnings and proposals... There is no reason for us to wish for this situation to be remedied now."

Referring to the liberals, he said: "As far as the FDP goes, there is one thing one can rely on... its lack of character... The moment things really get rough you can rely on them to use one hand to swear the oath of allegiance to the SPD and the other to sign a coalition agreement with us."

Deeply moved by the powers of the Bavarian seer, a prominent CSU deputy could hardly restrain himself last Tuesday. "At last," he said, "Sonthofen will come true. All we have to do is wait." He preferred, however, not to be quoted by name "because people might misunderstand."

Friedrich Zimmermann, the head of the CSU Land organization, made no secret of his feelings. "It is getting worse and worse every day," he said.

Zimmermann is fully convinced that the coalition will break up before the end of this legislative session because of its problems-- perhaps even during the course of this year. In fact, he is so confident of their assuming power and of his fulfilling a lifelong dream by becoming a cabinet minister that he is betting a bottle of Pommery Brut Rose Monaco champagne on it.

Opposition leader Helmut Kohl can scarcely hide his feelings. At a CDU presidium meeting last Monday, party leaders from the provinces could detect first signs of the flush of victory. In his report to them, he reveled in descriptions of all the difficulties facing the Bonn coalition and gleefully quoted the rancorous statements made by SPD leaders one about the other over the past few weeks.

Kohl's conclusion was that the social democrats are stuck in a no exit situation. The three top men in the party are fighting constantly; the party itself is split on nuclear energy, defense and the arms export issue-- all this cannot turn out well. The coalition's chances for survival have decreased even more because the personal confidence between SPD chancellor Helmut Schmidt and FDP vice chancellor Hans-Dietrich Genscher has been destroyed beyond repair.

Among his confidantes, Kohl was already acting the part of the big winner. He would not gain the chancellorship through the back door as Rainer Barzel had with the help of renegades who voted for the constructive no-confidence motion-- he would come in "by way of the center stairs."

The CDU/CSU Bundestag fraction is so confidently expecting the imminent end of the hard opposition days that Kohl thought it wise to call for restraint in public. "We should not create the impression that we expect to take over tomorrow," he said, "because then we will never make it."

Kohl's new righthand man, Walther Leisler Kiep, who has moved up to the deputy fraction chief slot in the Bundestag, also told his colleagues to exercise restraint in their attacks against the government and to "moderate their voices" lest they help the damaged SPD/FDP coalition heal its split thereby.

And Zimmermann told his CSU deputies in the Bundestag: "Keep your cool, keep your cool."

Their dreams of assuming power soon have made the CDU/CSU forget its actual role, it seems: at this time, there simply is no opposition in Bonn. CDU and CSU are biding their time, confidently expecting that the oil price, inflation and unemployment will rise; that the budgetary situation will continue to deteriorate in the face of declining revenues and that Helmut Schmidt will be left in the lurch by his own party when President Reagan drives the West Germans into a new armaments cycle.

For that matter, Helmut Kohl prefers to bide his time, since he has a hard time coming up with alternatives to the coalition's policies. The choices, after all, are few and Kohl must try to

please his preferred partner Genscher in all areas of the political spectrum so as to be able to form a coalition with the liberals.

Whatever the issue is-- nuclear power or NATO modernization, there is hardly any difference between the positions of Kohl, Genscher and Schmidt.

The basic position on arms exports as agreed upon by the CDU/CSU fraction last week, could be supported equally well by Schmidt and Genscher. "As long as political solutions to conflicts and international agreements on arms limitation are not attained," the core passage reads, "our arms exports must be oriented to the vital interest of the FRG in securing peace and freedom throughout the world, to our own defense potential and our own economic well-being."

"There are hardly any issues where the CDU/CSU does not support the government," runs the complaint of the SPD leftwinger Erhard Eppler. "At the same time, sizable segments of the SPD are harboring serious doubts."

At their Mannheim convention in early March, the CDU/CSU intends to come out against total protection from eviction which Genscher and Schmidt also feel is one of the main reasons for private capital's reluctance to invest in building activity.

Even on the co-determination issue, "the weakest link in the coalition," according to CDU Bundestag deputy Norbert Blum, the opposition finds it hard to exert the proper pressure.

Leftwinger Blum made far-reaching proposals in the name of the CDU and the CSU prior to the Bundestag election that called for proportional co-determination at Mannesmann and other coal and steel operators. Now he has a difficult time getting the appropriate bill passed by his fraction.

The government compromise, worked out between the SPD and the FDP, calls for retaining proportional co-determination for 6 years even if the coal and steel share of a given firm falls below the presently required 50 percent limit. Blum would like to see no time limit set, even if the coal and steel share of a firm's sales volume falls to 30 percent.

Blum's proposal would create problems for the SPD, since it conforms to their own ideas far more than the compromise agreed upon with the FDP. But Helmut Kohl wants no part of the Blum plan because he would rather not irk industry and the FDP. The decision on Blum's initiative which was to have been reached by the fraction this Tuesday was postponed for the time being.

As cleverly as the CDU leadership is playing its cards, there is no hiding the fact that the CDU/CSU does not have too much to offer in the way of personnel to run a government of its own.

Helmut Kohl, who lost the 1976 Bundestag election, would no doubt get first call following the defeat of Franz Josef Strauss; but the trouble with him is that he comes across as a "second choice," in the words of a Strauss confidant.

Nor does the opposition have much to offer in the way of a shadow cabinet. There is not very much to go around. Even Richard von Weizsaecker, the top candidate for Berlin, had a tough job assembling an attractive team for the provinces.

And there certainly is no Ludwig Erhard of the eighties Kohl can bring on to straighten out the economic mess in Bonn. The multi-purpose politician Walther Leisler Kiep, who just stepped down as Strauss' shadow foreign minister, is now acting the part of economic spokesman but might soon have to take on the job of top CDU candidate for the Hamburg mayoral election.

Indeed, Helmut Kohl would not mind seeing Kiep leave so as to rid himself of a competitor for the chancellor candidate's job in the 1984 elections.

Among all the optimists, at least one oldtimer has remained pessimistic. The long years in the opposition have taught deputy fraction chief Alfred Dregger that his party has been close to attaining power many times only to falter at the last moment.

"The FDP will not come over to our side," Dregger says, "until and unless the SPD really breaks apart. And that may take a long time, regardless."

9478

CSO: 3103

TRADE UNIONS OPPOSE COALITION AGREEMENT ON CODETERMINATION

Hamburg DER SPIEGEL in German 2 Feb 81 p 27

[Article: "Written Inquiry"]

[Text] The social-liberals finally agreed on a draft for codetermination in the mining industry--under protest from the labor unions.

Following a 4-day parliamentary budget debate, Bonn's ministers asked to be chauffeured to the chancellery at an unusual hour last Friday noon. The reason was a hastily called special cabinet session to adopt a controversial paper: the draft for codetermination in the coal, iron and steel industries.

The law that had become necessary because of the reorganization of the Mannesmann Concern is to guarantee for a 6-year period proportional codetermination also in those iron and steel plants where in the meantime less than half of the products belong to the coal, iron and steel industries.

Previously, the social-liberals were deadlocked for weeks, carryong on a petty dispute about the details of the draft. The fact that they were able to agree on a compromise was considered a notable success by many a Free or Social Democrat, whose expectations had become modest.

Nevertheless, the joy was subdued, above all, among Chancellor Helmut Schmidt's party friends: It might only be the beginning of real trouble.

Now, since the coalition resolution has been turned into a draft, labor unions are planning to intensify a massive campaign against the intentions of the Bonn government. The Metalworkers Union wants to conduct protest actions throughout the entire FRG territory against that law which in the opinion of the labor union will seal the end of codetermination in the mining industry.

During a rally in Solingen last Friday, Lutz Dickerhoff, member of the executive committee of the Metalworkers Union, spoke of a "codetermination death by installments." The labor union press is talking about a "termination law."

A welcome propaganda gag for the labor unions was the fact that, purely accidentally, Bonn pushed the mining law through the cabinet exactly on 30 January 1981.

Because exactly 30 years ago, on 30 January 1951, Hans Boeckler, the then chairman of the German Labor Union Federation, announced that CDU Chancellor Konrad Adenauer wanted to establish firmly equality in codetermination for the workers in the mining industry.

Directed by the Frankfurt central office of the Metalworkers Union, especially Bonn's Social Democrats are being bombarded with labor union petitions. The delegates of a Metalworkers Conference in Dortmund, for instance, wrote to Chancellor Schmidt, saying that they would not give up the only accomplishment that they had fought for under a CDU chancellor--"not even during the term of an SPD chancellor."

In the opinion of the labor unions, the draft that should have become law should have been at least the one that was proposed by the majority of the SPD fraction last summer.

Accordingly, codetermination in the mining industry would be retained for an indefinite period, even in those companies whose iron and steel production accounts for less than half of today's sales. This union-oriented draft was withdrawn after serious objections by the FDP.

METALL, the paper of the Metalworkers Union, however, continued its attack. Union journalists made written inquiries, asking Bonn's SPD parliamentarians whether they would be willing to continue their support of the scrapped group proposal for the final guarantee of codetermination in the mining industry.

Furiously, SPD fraction leader Herbert Wehner complained about the snooping and prying into consciences by the labor union paper, when members of the Metalworkers Union executive committee met with SPD deputies in Bonn's Steigenberger Hotel on Monday last week.

Wehner asked in his Wehner style: Whether the Metalworkers Union wanted to break up the social-liberal coalition? After all, during this legislative period there was no majority for a permanent guarantee of codetermination in the mining industry. The unions should know better than counting on the Union.

Eugen Loderer, leader of the Metalworkers Union, replied that he did "not" want to "destroy" the coalition and that he had already stopped the campaign by the paper. But Loderer stated sanctimoniously that basic actions could not be prevented. Anyway, the Metalworkers Union could not remain idle when chances were getting slimmer and slimmer for a proportional codetermination in the entire industry, and now even codetermination in the mining industry was coming to an end.

Now the Social Democrats were not able to comfort their labor union friends either with the compromise that they had negotiated with the liberals last week.

In two detailed questions, the Free Democrats were willing to make concessions. For instance, labor unions, which to date had appointed the "external" workers' representatives to the board of directors of the mining industry themselves, in the future must leave the election of the board members also up to the workers council. Nevertheless, they do not have to nominate several candidates, as was demanded by the FDP until the very end.

The only thing that was legally established by the FDP was that the absolute majority of the workers council can reject the union candidate. Since, however, up to 90 percent of workers councils are union members, a veto is not likely to happen.

In addition, the SPD succeeded in having future sheet-metal products included in mining-industry sales. Thus the danger is reduced that soon more and more enterprises will be eliminated from the codetermination agreement in the mining industry.

Hans-Guenter Hoppe, vice-chairman of the FDP fraction, explained the concessions by the liberals in the following manner: "We were not interested in complicating the relationship between the chancellor and the labor unions more and more and causing difficulties for the coalition."

They were satisfied with that which had been accomplished.

8991

CSO: 3103

CDU'S VON WEIZSAECKER ON BERLIN PROBLEMS, POLITICS

Hamburg DIE ZEIT in German 23 Jan 81 p 3

[Interview with the leader of the CDU opposition in Berlin, Von Weizsaecker, by Marion Graefin Doenhoff and Joachim Nawrocki of DIE ZEIT: "'It is Necessary To Turn Over a New Leaf Here'"]

[Text] ZEIT: Mr Weizsaecker, how does it feel to be so close to the moment and perhaps the target that any opposition simply must set its sights on?

Weizsaecker: The movement begun in the Berlin spurs me on because it combines two things--on the one hand, my political aim to take over the government and, on the other hand, a lesson in constitutional affairs which is being put to the test here for democracy in the Federal Republic of Germany as a whole. The parties in our democracy tend to abuse their electoral mandate during the legislative period. The Berlin constitution in a case of this kind makes available the unique instrument of a citizens' initiative to give the parties a new start. While it has not yet been used since the end of the war, the time for it has now come.

ZEIT: Just what is that abuse?

Weizsaecker: In Berlin to a greater extent than elsewhere, we have witnessed in the past few years a party coalition, and particularly a leading government party, which has made the state its prey. Nowhere else has office patronage taken on such proportions. Here politics are attempted that are popular with the citizen in a convenient sense of the word. Through too much bureaucracy and centralization, aims are being pursued here in a way which render the citizens passive and make them no more than recipients of payments and benefits. Party rule is complete. The citizen, the voter, is a zero buried in article 20 of the Bonn Basic Law. Slowly, step by step, a realization of this objectionable state of affairs has taken hold. A lot of citizens' initiatives and groupings and demands outside the parties represented in the Chamber of Deputies testify to this. Now it is a question of getting the parties back to responsible actions through a referendum and plebiscite.

ZEIT: "Made the state its prey": Is that not a wholesale defamation of a party's politicians?

Weizsaecker: Of course I do not claim that it is a question of an objectionable state of affairs limited to Berlin, but it became evident here earlier and more clearly. The mistakes by the leading government party here, the SPD, must be clearly identified, but Berlin as a whole must not be reviled.

ZEIT: Most analyses suggest that Berlin, isolated as it is, has difficulties that are uniquely its own. Is this the reason for the crisis, or has it been caused by mismanagement?

Weizsaecker: It is always one thing on top of another. The weaknesses of a party democracy in which the parties become too much an exclusive source of power are, of course, not limited to Berlin or, for that matter, to the Federal Republic of Germany. What is true is that in Berlin special conditions exacerbate the situation. In addition, we in Berlin really depend on the understanding and help of West Germany. But surely it has been quite obvious recently to what extent the readiness for that help, the trust in Berlin, has disappeared. Therefore an act of self-purification, an indication of Berlin's strength to help itself is needed; otherwise we will not be able to count on the necessary outside help.

ZEIT: Will you be able to assume power without forming a coalition?

Weizsaecker: I don't know. Of course, in Berlin, as elsewhere, the parties must all be prepared also to talk with other parties about coalitions. Here, of course, we also have commitments within the framework of the existing coalition. A new beginning or a mandate by the voter releases one of such commitments and enables one to make new deliberations. My party, however, naturally will conduct the election campaign in its own name and not in the name of a future coalition.

ZEIT: If the opportunity presented itself, would you be prepared to form a coalition with the FDP originating in parliament, without new elections?

Weizsaecker: We issued a formal invitation for talks but so far have not received any reply at all from the FDP. My impression of the situation is that a solid foundation for a viable government can be found only through an election. This is my stand vis-a-vis the coalition, which is attempting an intraparlimentary solution. It applies also to me; I cannot tread the path of a referendum and plebiscite and at the same time keep a lookout as to whether there may be a cheaper way.

ZEIT: You would reject an attempt to now form a government in parliament with votes that you might get from the FDP and perhaps even from the SPD?

Weizsaecker: I am and will continue to be of the opinion that after all that has happened the voter must be given the floor. I am convinced that any government, regardless of who forms it, will face very difficult decisions and therefore must enjoy a basis of confidence that is stronger than heretofore. So I don't want to try any parliamentary tricks but want to continue straight on my road.

ZEIT: In the SPD a number of people are opposing new elections in this loaded situation, saying that the Alternative Lists by attaining 10 percent of the vote

might gain entry into the Chamber of Deputies, with the result that the majority conditions would not get any clearer in the end. The word "Weimar" has been dropped in this connection.

Weizsaecker: Our democracy in Berlin is definitely strong enough not to have to be afraid of an election. We will never start an election campaign unnecessarily, but my view that a new election is now the only clean solution is shared within and outside all parties. In this situation I can only rely on the wisdom of the voter himself.

I don't think that in Berlin or, for that matter, anywhere in the democracy in Germany, the alternative movement, in the form in which we know it, is actually capable of a majority or of governing. I consider it to be the wrong answer to existing proper questions that we must be asked. And if we don't act reasonably within the framework of existing parliaments, we just have to confront them themselves in the parliaments.

ZEIT: If the FDP should remain below 5 percent, would you form a coalition with the Alternatives?

Weizsaecker: It is quite impossible to answer this question if only because at the moment one doesn't know at all what they are supposed to represent as far as a program or personnel are concerned. It is not probable in any case. A coalition in that direction is neither planned nor in fact really feasible in theory.

ZEIT: Let us go through the various possibilities one by one. A minority government tolerated by the FDP--would that be feasible?

Weizsaecker: The Berlin constitution prescribes an absolute majority for the governing mayor and each senator through a secret election. How can there be a minority government?

ZEIT: An all-party government?

Weizsaecker: An all-party government is a way in an external emergency. The Berlin crisis, however, is a crisis produced by domestic politics--and it can be solved in a domestic political manner with the means provided for by the constitution.

ZEIT: A grand coalition?

Weizsaecker: It always, as it is, starts with the reproach that, what with confidence in the big parties having vanished, it is giving a lot of nourishment to a quasi-extraparliamentary opposition. A grand coalition would therefore be particularly inappropriate in Berlin of all places.

ZEIT: So the last possibility--a small coalition with the FDP?

Weizsaecker: If anything, that is within the realm of possibilities. But I have to say about this that it is of course up to the FDP itself to place its two or three different trends that are evident today on a common denominator. I cannot

make this my business by exercising influence on the public or making offers from outside.

ZEIT: Now Jochen Vogel is to be a candidate for the office of governing mayor and, if he succeeds, is to dissolve the Chamber of Deputies after the conclusion of the parliamentary investigation of the Garski affair and schedule new elections.

Weizsaecker: First of all this shows that now the coalition too has realized that new elections are unavoidable. But to make the date of the election contingent on the conclusion of the work of the investigating committee--something which is subject to control by the majority in parliament--is unacceptable. The SDP wants to gain time. I cannot blame it for doing so, but I cannot concur in it.

The investigating committee will have to meet, and I presume it will uncover a number of things, but surely the roots of the crisis lie much deeper. And once we are engaged in the election campaign, it will be a question of a fundamental new start, a question of not just being more circumspect next time in providing surety and, if mistakes have been made, of assuming the political responsibility all the more quickly.

ZEIT: If the dissolution takes place at once, there will have to be elections within 8 weeks. That means that you would have to assemble a team and a program in a few weeks.

Weizsaecker: It does. This is the subject that has my main attention. I am devoting less time and energy at present to the automatic process of realizing the need for early elections. In the past couple of years I have often spoken of the need, which I believe exists, for changing the basic political approach in Berlin; only, this is very difficult to achieve when you are in the opposition both as far as issues and as far as staffing is concerned.

To recruit the people one needs is not easy if they have to be told: You must support a cause whose success or lack of it cannot become apparent for another 3 and 1/2 years. This is not easy, above all, when it is a question of personalities who are selected precisely because they are capable and therefore are in great demand and very busy.

ZEIT: What kind of a program do you intend to present?

Weizsaecker: The basis must be to help oneself and be accountable to oneself. This is what a government and a state must want, must demand of the citizen and must expressly support and promote. We must turn our backs to the converse policy, which, while full of good intentions, relieves the citizen of everything step by step and assumes official management responsibility for it.

In Berlin, as elsewhere, we have examples of this, in preschool education, also in housing construction, but particularly in tending to people who cannot help themselves. The idea of assistance to the effect that primarily the individual, the small group, the private sector, the local municipality have the job of solving problems before it becomes the turn of the state as a whole--all that is not only of financial significance but provides meaning and adds strength.

ZEIT: That is really where things become difficult. You will have to change the people's consciousness...

Weizsaecker: ...yes...

ZEIT: ...which is quite difficult. And then you will have to produce both quantitative and qualitative changes in administration...

Weizsaecker: Yes.

ZEIT: In other words, quantitatively simply prevent any ballooning and qualitatively attack the mediocrity everyone is talking about, attack provincialism. It is wonderful for someone to propose doing all that. But how does he do it?

Weizsaecker: First, it is crucial for the political leadership to make it its job to exercise a modifying influence on the public where it considers this to be necessary. That is a big task which the federal government too has not been nearly ready enough to undertake. This is to proceed and to radiate from Berlin. I would like for Berlin to cease to become the subject of conversation because of crises, and instead to set an example here.

Secondly, sweeping judgments about the quality of the administration here are, of course, to be avoided. But improvements in quality are necessary. Moreover we have poor conditions of competition for the leading administrative offices here compared with other Laender and the federal government. Here Mr Stobbe in vain initiated an effort to provide equal conditions of competition by raising pay at the upper levels. There is no doubt but that we cannot make that a matter of policy per se. If, however, we take advantage of the current budget situation by expecting those with higher pay in civil service to forgo increases in regard to their salaries and wages (and I am definitely for that), we will at the same time be able to compensate capable work in administration at the kind of level it can demand if we really want to improve quality.

ZEIT: How do you intend to manage that?

Weizsaecker: Politicians must publicly advocate whatever they realized is necessary; they must not suppress it because they are afraid that it lacks the support of the majority. In an election campaign, this is certainly not easy. It would be simpler at the beginning of a legislative period in a government declaration to set oneself the task of implementing a program. Yet, precisely in this crisis in Berlin I see a chance to a far greater extent than previously of arousing understanding for these fundamental needs.

Beyond that, I would also like to accomplish something else. Of course I want to be a candidate and take a stand on behalf of my party, but what I want to accomplish at last is responsible participation in the business of government by people who are qualified vis-a-vis certain tasks not because they have waited in line in a party but by virtue of knowing their business, commitment and personality. There are people who have the know-how. They should not be left outside and criticize us from without, and we as a party should not say from within that we do not want

them. If I can get such personalities for 20 or 25 percent of my team, I will regard that too as a signal. We do not need any grand coalitions of parties but a grand coalition of responsible persons for Berlin without regard for proximity to a party.

ZEIT: Is there then not the danger that you will get people to come to Berlin who have been known here for decades as "birds of paradise"--intellectuals who cannot cope with administration because they lack the experience?

Weizsaecker: Intellectuals remain "birds of paradise" as long as they do not get to shoulder any political responsibility. I will not mention any names before the start of the election campaign, and have not done so in the past either.

ZEIT: Are you also thinking of nonparty people--or, as is customary in the United States, of people from the other party?

Weizsaecker: I would consider myself fortunate if there was an example of this that made sense to me as far as the matter in hand and the person were concerned and that got the green light from both of the party camps.

Furthermore, as you know, I had to conduct an election campaign in Berlin a couple of years ago, and I faced a similar problem there. It became clear at that time how hard it was to cause people to show more than a polite kind of interest in the subject of Berlin. And despite all the garbage we have been witnessing constantly these days, despite all the chagrin we feel when we hear the reports about Berlin, it is possible to notice underneath it all that Berlin is again becoming important for everyone, that it can be a model. I believe the crisis is being reduced by winning over people for ideas and aims in Berlin.

ZEIT: Today senators who were regarded as capable people as late as 8 weeks ago are suddenly being treated as if they had stolen some silver spoons. Is this not casting a shadow on the politicians of all parties? Is not many a person frightened away when moods change so abruptly?

Weizsaecker: About certain persons who have been hit vicariously I do not want to speak here. But that's the way it is: the pitcher keeps going to the well until it breaks, and when it does, it happens that it was being carried by certain people who ought not to be the only ones to suffer.

ZEIT: Here it is immediately shattering into a thousand pieces.

Weizsaecker: In Berlin it is now really necessary to turn over a new leaf. That cannot be done by one person or by only one party. But the competition for a new beginning will be of an entirely new quality. That will also benefit Berlin.

ZEIT: In what way do you think a change in coalition would reverberate on Bonn?

Weizsaecker: That depends not on the Berliners but on the political health of the people in Bonn.

ZEIT: And what would be the effect of a change in government in Berlin on the relationship between the city and the federal government?

Weizsaecker: In Berlin we have to fulfill a function for all Germans. To do so, we have always needed a good relationship with Bonn. We have had one so far without regard to party and differences in coalition, and we will also have it in the future--all the more so if a city government again enjoys the confidence of the Berliners.

8790

CSO: 3103

CAPRIA COMMENTS ON NORTH-SOUTH ECONOMIC, SOCIAL GAP

Rome AVANTI! In Italian 17 Jan 81 p 10

[From article by Nicola Capria: "Still Wide the Gap Between North and South"]

[Text] The earthquake has dramatically brought back to mind an economic and social situation still profoundly at odds with the nation's "rich" areas.

The earthquake, which devastated Campania and the Basilicata on the evening of 23 November, has again dramatically brought to the country's attention an economic and social situation still wholly at variance with and, to a great extent, far distant from the overall conditions that exist, or at least should exist, in a country which has ranked among the world's 10 most industrialized nations for the past 20 years.

Undoubtedly because of the "extraordinary" measures hitherto enforced, at the outset of this new decade the South showed itself to have definitely risen above the level of underdevelopment that characterized its traditional agricultural society of the 1950's.

Yet the substantial progress achieved cannot disguise the gravity and the differences of its problems. The gap between the South and the country's more advanced sectors has remained unchanged; indeed, given the spontaneous nature of development, this gap tends to widen as the sectorial crises become increasingly more serious and the plight of big enterprises, the degradation of the territory, the urban and metropolitan question and unemployment, particularly affecting the young, women and intellectuals, reach intolerable levels.

The southern question has not become a crucial national problem only because such a gap still exists. In the larger sense, full economic development of the south is the fundamental condition for the recovery of efficiency, productivity and competitive capacity of the nation's entire economic system. For this objective, there is no longer a second chance. Indubitably, it has been proposed as the great reform to mark the 1980's. But no such reform can be realized without commitment, without the mobilization and the collaborative efforts of the institutional, economic and social factors that operate in the southern areas, to which their due functions and responsibilities should be restored in full.

This is precisely the inspiration and guiding concept of the new law calling for special intervention in the south in building a "regional state," based on the regions' powers of direction and programming and on minor local autonomy. The law supplies the specific basic tools and mechanisms of incentive and promotion, aimed to provide and increase such opportunities for constructive initiatives as exist in the south. The government's regional policies will be implemented by the special regional project, which encompasses the metropolitan areas, the industrial areas and the internal zones, therefore the strategic points to be activated in the south, where the powers to decide and manage the program of special intervention all pass intact to the regions. The state's remaining competence will be to set up broad infrastructural networks where structural weaknesses continue to hamper the south with respect to the rest of the nation.

For both project types the new legislation, through "program agreements," foresees preventive methods of operational coordination joining together the central government, public administrations and bodies, the regions and local bodies to discipline substance and procedures for a genuine development of autonomous construction.

The incentive mechanism has been reformed in accordance with a demand for more simplification and greater autonomy of procedures, and for clarifying the different responsibilities of the credit institutions and the administration charged with distributing public aid, and doing away with the appearance of conformity.

Along with the customary financial incentives, a contribution to employment will promote productive structures efficiently. These structures will absorb more workers and offer a wide range of "real" incentives in productive services to business enterprises by singling out in the advanced tertiary a competitive factor indispensable to local industrial growth.

The Cassa del Mezzogiorno has named two agencies specializing in the large-scale work of overseeing the territory and its industrialization policies to adapt the new demands of the organizational models according to the criterion of specialization and functional responsibility of the interventions's methods.

Within this wholly innovative framework, a fundamental role must, and undoubtedly can, be played by the cooperative movement, to which the new legislation is opening new areas, both in the planning phase and in the direction of new initiatives. Through organic and continuing rapports on the institutional, central and peripheral levels in the scope of regional interregional projects, and through the program agreements, the cooperative movement can function, beginning with the phase of concentration, of codecision and operational coordination of the new initiatives. Thus it can transmit those characteristics of originality and experience, which are unique to it, to diffused undertakings, to the capacity for invention and realization arising from and fed by singular local realities of innovation, both economic and social.

But in order that this design, if fully realized, can offer the south an impulse and decisive contribution to its own development, the cooperative movement must indispensably make a basic choice and program concretely an intervention strategy, with its objectives, modalities and resources clearly spelled out.

Cooperation in Italy's south must not be confined exclusively to the importation of single initiatives nor should it be delimited in time, thereby retaining

permanently a character of improvisation. Italy's south must not be confined exclusively to the importation of single initiatives nor should it be delimited in time, thereby retaining permanently a character of improvisation. Italy's more developed areas, where the cooperative movement has sunk its historical and cultural roots, can certainly contribute a whole store of knowledge and valuable experience as an economic-social model of intervention. But before it can take firm root in the south, it must be supported by a specific line of development through a national policy capable of setting forth a new policy for the movement in terms of using its resources beneficially, adopting new tools and organizing its structures.

Without such a thoroughgoing, innovative transformation, the cooperative intervention in the south runs the risk of becoming an exclusively "external" phenomenon by confining the movement's initiatives to any one particular type of economic undertaking.

To the contrary, the cooperative movement must assume the role of economic and social protagonist in the development of the south, asserting its capacity to create, to program from the bottom up, and to carry out its purposes.

The special intervention reform and the new regional leadership offer room and possibilities for a continuing dialogue with all institutional levels and, to the cooperative movement, the opportunity to fulfill a role not limited only to executive opportunity but mainly to political creativity. That opportunity must be forthcoming soonest possible with the indispensable structures it needs. By seizing this opportunity, the cooperative movement can perform an otherwise impossible function of economic and social organization, of innovation and expansion of undertakings, hence of re-qualifying the situation of the territory. This is an opportunity to which the new law offers broad spaces and possibilities for intervention, which the south certainly cannot and must not lose.

9653

CSO: 3104

DECLINE IN CGIL MEMBERSHIP IN MILAN REPORTED

Rome LA REPUBBLICA in Italian 17 Jan 81 p 27

[Article: "CGIL in Milan Has 17,000 Fewer Members; Workers Are Quitting, Pensioners Increasing"]

[Text] With a membership loss of over 4 percent in less than 3 years, 11,000 in industry alone, mostly industrial workers, CGIL in Milan has sent up a cry of alarm, as have other local organizations ever since Rinaldo Sceda launched a nationwide "truth campaign" on recruitment and issued a searching analysis of his organization's predicament. The budget is deeply in the red. The wave of newcomers into the confederation, which rose during the first half of the 1970's, came to an abrupt halt in 1977. Since then their numbers have dropped: 6,000 fewer in 1978, 8,000 in 1979 and 2,500 in 1980. In 3 years, CGIL has lost more than 17,000 units -- workers, tram and rail men, shop clerks and other categories of employees. While a drop has been recorded in all important workers' sectors, only pensioner membership has risen. "What can I do with retired men?" laments Antonio Pizzinato, CGIL secretary for Milan.

Conditions at CISL are not much better, although that confederation is reluctant to release data on its membership. At the CGIL congress, convoked to examine the problem, CISL secretary for Milan Paolucci admitted to an analogous trend in his organization, although in 1980, contrary to CGIL's complaint, it recouped some 3,600 members, chiefly retired persons (1,500), public and postal employees, at the same time registering a "slight drop" in the industrial and services sectors.

Industry is worst off. Since 1977, CGIL's category of unions has lost 11,000 members, excluding metal workers who have deserted. Their number cannot be estimated since the quota of FIOM members (113,000) was frozen in 1975 when FLM initiated unitarian recruitment. Even here, according to information from the Chamber of Labor, 1,800 metal workers turned in their FIOM cards. All categories saw a drain: the chemical industry lost 5,000 card carriers, leaving 39,000 colleagues, textiles almost 2,000 with slightly over 17,000 remaining, and building construction more than 1,000 down to 22,000. While there is also a decline among affiliated employees, the data show that the quitters are mostly workers, not other types of salaried persons. On the basis of a sample enquiry conducted in several chemical firms, there has been an increase of 171 new employees, equivalent to 46 percent, but a loss of 565 workers, or 37 percent fewer.

The rise of 3,000 retirees is a positive factor only in part. It indicates that old militants are holding on to their cards even after they leave their jobs, whereas the young are joining up in constantly decreasing numbers. At Alfa Romeo last year, those who renounced their membership were mainly workers hired over the past 2 years.

But it is not only the crisis in industry that frets union leaders. "In the coming years our society will see fewer workers who produce and more employees in the services," Pizzinato observed. The information supplied by the Chamber of Labor indicates that conditions are also serious in the tertiary order (which is often technologically advanced in Milan), in trade, transportation, services, public works and so on, in which CGIL lost 10,000 members in 3 years. The collapse is especially evident in trade, where 6,000 card carriers out of 36,000 have withdrawn; those enrolled in CGIL account for only 16 percent of the affiliated employees. In transportation, the situation is equally grim: CGIL lost 10 percent of its rail and tram men, who have probably gone over to autonomous unions -- and in a period of years when the plight of unionism is acute.

What are the remedies? A greater commitment on the part of factory delegates, with freedom of confederal options (this is an explicit controversy with FLM, where membership is unitarian). Also, the cure Scheda insists upon: abandoning automatic renewal of registrations and returning to voluntary enrollment every 3 years, a suggestion already proposed. As might well result, this would precipitate a further loss of membership but a more compact unionism. Even CISL's Paolucci, although speaking only for himself (CISL has not yet taken a stand on this issue), has declared himself in favor.

Many are bewildered and fearful, for the most part that the reopening of the confederal recruitment campaign will exacerbate relations among CGIL, CISL and UIL, and ultimately compromise their prospects for unification. Let us make sure, says Enrico Corti, that with all three confederations involved, the rate of unionization increases. By what indication? By making way for confederal patriotism, but with a policy of unitarian recruitment.

9653

CSO: 3104

CGIL MEMBERSHIP FIGURES ANALYZED

Rome RASSEGNA SINDACALE in Italian 22 Jan 81 p 9

[Article by Claudio Pontacolone: "The Truth, Including Pros and Cons"]

[Text] Provisional data flashes many signals and yields new facts, which should be analyzed for their extent and significance. But there are dark shadows, too.

At the end of October 1980, CGIL numbered 9,570 more adherents than in 1979, arriving at a total membership of 4,593,044. This figure, however, is provisional and subject to modest variations. We must await definitive data to determine the final results, and separate the figures by provinces, regions and categories. Yet a general picture has emerged, enabling us to anticipate certain conclusions.

Still, we wonder whether this item of news will attract the attention of the press and get the printed space some publications customarily devote -- with obvious satisfaction -- to clamorous reports of dwindling union membership and the unions' dilemmas. In any event, it cannot be denied that, given the gravity of the crisis which has invested the country for years -- with inevitable hardships for the unions, their struggle for political unity and their rapports with the workers -- the fact that CGIL has increased its enrollment over 1979 and now counts a force of some 4.6 million members is a political factor of no small importance.

Oftentimes, startling, pessimistic news reports are given preference. Worse yet, the press will exaggerate or distort a line of procedure we consider to be altogether correct when we refuse to keep our silence, when we openly debate our problems and make known the efforts and commitments that must be made to resolve a given difficulty.

In this same spirit, it should be said that CGIL's rise in membership to 4,593,044 is the result of the close attention the entire organization has been devoting to the issue of new enrollments, a work which, however limited, has shown a higher degree of sensitivity and the loyal cooperation of many forces and militants -- in other words, the benefits of an active mobilization. It was not an achievement easy to come by. Another contributing factor lies in the growing awareness that the recruiting campaign must seek more and more to bypass bureaucratic procedures and limitations (although there is still a long way to go in this respect).

On the other hand, however, the change is attributable to an increase of 46,066 retired persons and a decrease of 36,496 active workers. The picture, therefore, is not altogether rosy. Among the active workers, the overall situation is fraught with dissatisfaction, an aspect which the definitive data will ultimately enable us to analyze more thoroughly.

Do we confront a lasting trend among active workers to back away while the number of pensioners increases, as the past years have shown? Or have other signals emerged? In a preliminary evaluation, it seems possible that this year the general data reflect a very fluid situation, affected by consistent rupture, but a halt in the trend toward a drop among active workers. These circumstances will be better verified when the details are forthcoming. But one initial indication is clear: in 1980, with a global decline of 36,496 active workers (including laborers) there was a loss of over 50,000 CGIL enrollees in the labor sector alone. This means that fundamentally, although within a framework of broad differences, the loss of labor members was serious in 1980. This can be attributed not to political motives but rather to the fact that the number of workers who could have been recruited into Federbraccianti consistently diminished in 1980 mainly because the registry office lists in the southern areas were revised, excluding workers over 60 and 55 (about 200,000). It should be pointed out, however, that the loss of 500,000 laborers would have been ever greater had the withdrawal of organized men because of the revised lists not been partly compensated by Federbraccianti's vigorous campaign of proselytism (18,000 new recruits between June and October alone). Moreover, despite the recent steady increase in pensioners, one factor is clear: there has been no success in re-recruiting a consistent part of the organized workers who have quit the labor sector because of the age limit.

If this is true, then we can deduce that in the other categories of active workers, although likewise with varying data, we will find evidences of advancement.

To take two instances: in the textile sector where, as we know, critical adversities and production restructuring have made serious inroads costing Filtea 5,207 members last year, this year the organization closed its books with a withdrawal of only some 700 enrollees; in the metal workers' sector, where FIOM augmented its rolls by over 7,000 units, this year it added another 8,000.

This does not mean that the sailing is smooth. Nor does it mean that a tremendous effort need not be made to broaden democratic procedures, to end unitarian disruptions and deal with other such problems through more viable policies. As we all know, relations with the workers remain an open question, as does the problem of increasing union efficiency. But it would be an error to forget that an imposing mass of workers (over 4.5 million in CGIL and 8.8 million in the 3 confederations) have confirmed their faith, dissensions notwithstanding, in CGIL and unionism in general, and rightfully see these to be the proper implement for united action in their struggles, an indispensable support for the defense of their interests in a nation undergoing transformations. And it would seem no less erroneous to ignore the fact that in 1980, with membership recruitment still questionable in many respects, new signals and factors coming forth must be weighed in terms of their extent and significance.

From all this, we must lean on our experience and find fresh stimuli for the 1981 mobilization campaign.

FACTIONS, TRENDS, STRATEGIES IN POWER STRUGGLE FOR CONTROL OF PSD

Lisbon TEMPO in Portuguese 22 Jan 81 p 10

[Article by Paulo Portas: "Analysis of the PSD: The Spirit of Sa Carneiro Still Lives"]

[Text] With the passage of time, the positions and intentions among the Social Democrats are becoming clear. Today, the PSD [Social Democratic Party] is a party subject to the most varied disputes, precisely in search of itself. A group of powers and counterpowers, and of pressures and counterpressures, are in conflict, in a movement that is still quiet, but already noticeable. The goal: to win the maximum negotiating position. "Timing": the next congress. Common element: none of the groups present want or are counting on a break; or at least none want to bear the burden of the responsibility (and the odiousness) of having caused it. Briefly, the present "equation" of the PSD shows, on the one hand, Balsemao and his respective "entourage", now in control of the government, and attempting to control the party politically and organizationally; and, on the other, with a pooling of efforts, a movement consisting of some (a considerable number) who, since the devil will not be a storekeeper, want to restrict Balsemao and dictate the basic laws for his political conduct. Who are the latter? None other than former leaders, young cadres, regional "barons", deputies, former ministers and "pure" and anonymous rank and file, the "Sa Carneiro adherents" as always (not those of the present) from the standpoint of thinking and style. They did not "die"; they are there, ready to "deal cards". They remained to win. Immediately, there is one result: If Balsemao has not yet realized that he is not irreplaceable, he should understand that, in the party, he must negotiate, if not even give in.

With the congress a month and a half away, the Social Democrats as a political force find their internal dynamism to some extent revived. The internal political struggle that is a hypothesis and condition for external success has already begun, and will continue at least until the end of February. In it, either there will be reconciliation without fear, negotiated to the point of exhaustion, or else the danger of peace not returning to the Social Democratic multitudes will have increased perilously. Meanwhile, there is the winning of positions, the gaining of space, the benefit of heading initiatives and the tallying of support.

The Positions Toward Balsemao

The PSD's designation of Francisco Pinto Balsemao for the leadership of the government and the party was made by an extensive, indisputable and democratically express majority. Although the motivation on behalf of Balsemao was of a variegated nature,

depending on the situations, the fact is that he was selected unequivocally. Therefore, with a month elapsed and with certain "nuances" becoming clear, it is still justified to claim that the PSD, and those responsible for it from an intermediate standpoint or as higher-ranking leaders, must pay the consequences for what they voted for. It would be a deeply unethical act if the many who voted for Balsemao during the PSD's National Council meeting in December were now to "reject" him. Moreover, few or none, would consider this solution.

There are obviously two clearcut, different positions on the part of the PSD's "political group" toward Francisco Pinto Balsemao: "unconditional support" and "conditional" or "critical" support. In point of fact, it should be noted that, on the very occasion of his designation, these lines with respect to Balsemao were already individually drawn.

When, at the National Council meeting itself, Eurico de Melo remarked, "yes...if," it was clear that not all or everyone was "unconditional"; and later, when Eurico de Melo, Cavaco Silva and Helena Roseta rejected the convenient but confining hypothesis of joining the new executive branch, it became obvious that the differences within the PSD were starting to be signalled publicly. Thus it is not surprising that now, in connection with the preparations for the congress, basic movements are arising tending to reinforce those who are "conditional" with respect to the new government.

It should be noted that saying "yes...if" to Balsemao implies a demand for compliance with fundamental points and aspects. It implies that Balsemao must use "caution" in dealing with party matters. It implies, essentially, that Balsemao has a "sword dangling over his head." In other words, if he dissociates himself from the sentiments of the party (and the congress will have the say in what these sentiments are), he may quite readily be placed in a difficult position. In any event, the "conditional" members of this new PSD, the "Sa Carneiro adherents" as always (without needing to say so now in all quarters), do not want Balsemao to fail. What they think, according to sources that did not confirm it, is that Balsemao should be "bound" to a certain policy line, without the slightest chance of abandoning it. Prevention is better than a cure and, in fact, the Social Democrats, even the most militant ones, do not view Balsemao with too much equanimity nor with extreme confidence. Therefore, better late than never, it is important to indicate points in the policy line to be followed by the PSD, holding Balsemao responsible for its implementation; and, at any rate, it is also important to hold mechanisms for the immediate control of any deviation. This is, in essence, the thinking of the proponents, as ever, of Sa Carneiro, who are now attempting to insure and guarantee that his message, his style and his political legacy will not be deviously nor directly relegated to oblivion. It should also be pointed out that, despite the fact that there are no rulers taken from the party apparatus, this line of action and thought has in the government elements that are close to it: there are the examples of the "hardline ministers" such as Viana Baptista, Victor Crespo and Jardim e Cunha.

Those who, with a different position, back Francisco Pinto Balsemao without conditions have obviously been privileged in the government. And, from an unbiased standpoint, they hold major posts in the party. Meneses Pinto and Nascimento Rodrigues are supporters of this movement in the executive branch; possibly

abetted by Antonio Capucho, whose position cannot yet be entirely ascertained. Within the PSD itself, the traditional alignment of the trade unionists and personages such as Angelo Correia and Mota Amaral should be on the side of Balsemao, including the delineation of the present prime minister's strategy.

Politically Fundamental Issues

The discussion of the political strategy to be pursued by the PSD brings up matters which, since they are current and urgent, are not completely quiescent. The PSD will have to discuss them and take a stand on them in February, at the congress. Hence it will come as no surprise if more than one motion for political orientation results. Three points appear to hold the attention of the Social Democratic militants in the "political talk": the progress of AD [Democratic Alliance], the relations with Eanes and the future of the PSD. These three points should be reflected differently in the two motions for political orientation which, based on present indications, are due to result.

Insofar as the Democratic Alliance is concerned, the relative reluctance (essential, although not in its present form) of Pinto Balsemao toward its naturalness and its continuity is well known. It is also common knowledge that Sa Carneiro's entire plan was based on cooperation with the Christian Democrats and Monarchists, in the defense of a modern centrist option for the government. The CDS [Social Democratic Center Party] has adopted the clever position toward Balsemao of keeping "two feet inside" but keeping "one hand outside" (because he is not Freitas do Amaral?). The loss of Sa Carneiro was the harshest blow ever to the PSD. In view of these facts, and also the commitment that exists with the electorate, the PSD cannot break up AD, nor can it ally itself with anything but CDS, if it wants to survive. Any other coalition would always be made at its expense and, in time, for the benefit of the centrists. And not even the agreements for the constitutional revision should in any way be confused with government agreements, the only ones that were sanctioned by the electorate.

Furthermore, no advantages can be discerned in remaining permanently in "dispute" with the CDS. It is clear that coalitions apparently detract from the parties that comprise them; but it is also evident that, through them, the parties attain goals which they had pursued without positive results when isolated. The tendency is not to divide AD; its maintenance, institutional reinforcement and daily experience, carried out intelligently, will be reflected in the only "lifesaver" to which the PSD can resort to surmount its leadership crisis, which may also be one of identity. However, such bonds can hardly be solidified between those who, backing Balsemao, always upheld or preferred PSD links with those to the left of him. Nevertheless, strangely enough, no one in the PSD has yet mentioned separate slates for 1984...

Ranallo Eanes is the second "imbroglio." One cannot perceive exactly why, considering the fact that, since 1978, the Social Democrats have preached anti-Eanes positions and the memory of Sa Carneiro prompted certain individuals, rather, to curtail their hopes, receptiveness and cordiality toward the current PR [president of the republic].

"Institutional solidarity" is now considered a "holy cure" for the nation's ills. Between the government and the PS, everything is rosy. One may ask: has everything between AD and the PR been forgotten just because a man died? The hostility

relating to proposals and support is not incidental: There are fundamental differences between AD and Eanes that also include their very concepts of democracy, of the role of the parties and of the intervention of the military. "Institutional solidarity" cannot represent the obliteration of the AD or the collapse of the government yielding to the PR. If this were the case, the path toward a split in AD would be open, and Sebastianism would, as a result, arise again from obscurity. Not to mention the anticipation of a strange scenario in which, if the AD "let itself be led" by Eanes, in 1984 we would have the present head of state leading the AD itself, obviously discredited and placed in the service of a man who had little to do with the liberation of the civil society.

This issue is of particular significance to the PSD: Most individuals do not fail to agree that the aforementioned "institutional solidarity" is nothing more than, and only a mere constitutional imperative, that has nothing, but nothing to do with "political solidarity". The areas are opposed, and between the two there are established only "conducting lines" that make governing possible, which are of an exclusively pragmatic type, if not even based on individual points. Also in this connection, Balsemao's understanding could, in time, tend to become broader. However, with this hypothesis it appears to be forgotten that AD will be judged before Eanes, and that the only ones to gain from AD's "lukewarmness" would be the backers of Belem. Moreover, it is a matter of preventing the mutual non-boycott between the government and president from being interpreted as, or evolving in the direction of rapprochement between AD and Eanes. It must be borne in mind that Eanes has always wanted to create a party, and to be the owner of a "mass" that would release and expand his room for maneuvering, a party to serve the purposes of presidentialism. AD was not created, nor was it elected for this. It cannot be "subject to dispersion".

Finally, the PSD. It is obvious that the entire essence of the PSD's strength and dynamism must be reconsidered, if they are to be retrieved. PSD, a "lukewarm" party in 1980, but living at ease on the image of Sa Carneiro, now has as a fundamental vestige of its existence the group of many thousands of members, of "rank and file" with extremely peculiar features.

The effort of the Social Democrats in the government, of extensive and dependent dimensions, may change during the next few months. There is no lack in the PSD of individuals who maintain that the Social Democrats, as an active political force, cannot be dependent on Balsemao as they were on Sa Carneiro. This is to prevent Balsemao's liberality from making the party capricious or vulnerable to the appeals and "siren songs"; and also because, if Balsemao fails, there are some who think that the PSD cannot be dragged into that failure. In other words, if Balsemao guides the government and heads the party with certain limitations and restrictions, all well and good; but the PSD's autonomy with respect to the government, without jeopardizing its support, and the degree of liberty that is granted to the party, this is what could and should change.

This is so that Balsemao's possible fall will not mean the certain fall of the PSD. Although it may be an optimistic view, there are some in the PSD who uphold it, beginning with those who have their doubts about Balsemao.

How to "Fit" Balsemao...

With the congress scheduled for the end of February, there is evidence of intentions regarding a candidacy. For the present, it may be anticipated that nominations with repercussions will be submitted at the PSD's supreme meeting. Hence it may be expected that there will be active intervention at the congress by PSD members such as Conceicao Monteiro and Santana Lopes, leaders such as Eurico de Melo and Amandio de Azevedo, the Roseta couple, etc. It should be noted that several of the members who, 2 years earlier, obtained the leadership of the PSD again, through Sa Carneiro's "G motion", will be at the next congress with the intention of preserving the spirit and letter of the thinking of the PPD's [Popular Democratic Party] main founder. And a few surprises may also cause the "climax" to be heightened. It may be predicted, at present, that a certain "heroes' return" is being witnessed, that is, of the individuals who aided and "protected" Sa Carneiro in 1978 and 1979. This holds true for the return to politics of Pedro Paes de Vasconcellos, who will also be at the congress, elected by the rank and file from a section of Lisbon.

It is not anticipated that more than one slate will appear for the National Political Commission. Therein lies the pole for the possible but necessary unity; therein lies the move for the negotiations which will, in principle, prevail. The gaging of forces should occur in the election of the National Council, wherein Balsemao may find his "official" slate in competition with one or more candidacies representing various types of thinking and acting within the PSD.

One detail: the rumor is starting to circulate persistently that Balsemao will try to place in the party's political leadership a large number of ministers and governors, thus making it easier for him to control both areas in which action is taking place, and making the PSD very dependent on his government. A contrary reaction to this "ubiquity" and to this "knack" for doing two things at the same time, with the great likelihood that, for this very reason, nothing will turn out successfully, has been emerging from the "rank and file", especially in the north.

The procession is still in the churchyard; but the banners and the first participants are already discernible. The lines are also already visible, and one can guess the length of each of them. It remains to be seen if and when handshakes will be offered.

2909

CSO: 1101

ULLSTEN ON SWEDEN IN EUROPE, REAGAN FOREIGN POLICY

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 9 Feb 81 p 5

[Report on interview with Swedish Foreign Minister Ullsten by Werner Adam: "Sweden Is no Outsider in Europe"]

[Text] Stockholm, 8 February--Based on the office they hold they could be twins. Both hold the position of foreign minister, deputy to the head of the government and chairman of a liberal party which is having a hard time dealing with the coalition partner. That, says Ola Ullsten, is a good reason for him to look forward with special interest to the visit by his German colleague, Genscher, who will arrive in Stockholm on Monday. The Swedish foreign minister naturally also welcomes the visit from the higher point of view, to speak, that the head of a ministry in Bonn is making an appearance, since it has been 6 years since Genscher last visited Stockholm. Have not a lot of things piled up, perhaps even in the way of bilateral problems? Ullsten shakes his head. Relations between Sweden and the FRG are going smoothly, smoothly and with such economic intensity "that through Mr Genscher we would above all like to speak to the European Community."

The Swedish foreign minister harbors the suspicion that now as before Brussels regards his country as "some kind of outsider." That is not justified, because "we are good Europeans and as such intent on strengthening our relations with the European Community in particular." To be sure, his country does not wish to exceed the present framework of the free trade agreement, says Ullsten modifying his statement in the same breath; no doubts should arise about the Swedish policy of neutrality. However, cooperation could be further expanded even without additional formalization, and with this goal in mind he will shortly pay an official visit to the EC Commission.

"We are not outsiders in Europe." The Swedish foreign minister would simultaneously like to make this statement the motto for his efforts to bring about a European security conference in Stockholm. He hopes to learn more details from Genscher about the German views and perhaps also something about the opinions of other West European governments concerning this proposal. Ullsten himself is still full of doubts; he assumes that Sweden could bring ideas similar to those of France and Poland to a "common alliance-free denominator" and thereby find a response in East and West. After all, with laborious fence-mending, Sweden, together with other neutral nations, succeeded in achieving a "beginning" for the second review meeting of the Conference on Security and Cooperation in Europe (CSCE). Independent

of what in the end will be the outcome in Madrid--in this respect Ullsten is not optimistic--"quite independent of the results of the second review meeting, that is to say," a continuation of such conferences is important above all for the Germans, because on both sides they feel most acutely the ups and downs in East-West relations.

Waiting Skeptically for the New U.S. Policy

In this connection the Swedish foreign minister would also like to know "what is going on right now at the White House." The announcements and indications issued so far by the new U.S. Government do not make Ullsten very confident. On the contrary: they sadden him. By way of explanation he mentions Washington's loud speculations about neutron weapons, but he is just as critical of U.S. military aid to the government in El Salvador, "where at present terrible conditions prevail." Could Washington be indifferent to whether Central America might one day perhaps totally come under Cuban influence? Such a development, Ullsten replies, will be promoted particularly if the United States continues "to side with the military dictatorships." The Swedish buzz word "Vietnam" is mentioned. After all, that is exactly where the Americans experienced similar things.

Back to Europe, which the two superpowers have made the "focus of their contradictions." With respect to Europe, Ullsten judges the United States and the Soviet Union critically--until the conversation turns to Poland. What is happening there is exciting and alarming at the same time: exciting, because in Poland the people's voice is being heard for the first time in a long time; alarming, because this voice is impatient and confronts the Soviets, in particular, with an "enormous dilemma." Sweden's foreign minister, whose country traditionally maintains close ties with its neighbor on the other side of the Baltic, advises the West that with all the admiration for the Polish people it should not interfere in the conflict between the Polish people and the supporters of the communist regime. "That is what we expect of the Soviet Union, of course, even if the development in Poland has to cause it a tremendous headache."

But how does Sweden evaluate its own situation and the security situation in the Nordic countries in general, against the background of increased tensions in Europe? Does it seem timely, for example, at this very moment to concentrate the security-political discussion in Northern Europe on the creation of a nuclear weapons-free zone? Ullsten: "Such a discussion is basically positive and consequently must be welcomed." Nevertheless, in this connection it must not be overlooked that in Scandinavia there are no nuclear weapons anyway, and that here there has been a de facto nuclear weapons-free zone all along. However, that could only be of value if the Baltic Sea and the Soviet Kola Peninsula were also included in it, and if the nuclear powers guaranteed that the Nordic countries would be correspondingly safeguarded. Would not the debate then necessarily be aimed chiefly at the Soviets? The Swedish foreign minister replies in the affirmative to this question and concedes that it is also precisely for that reason that no positive results can be expected from the present discussions.

Ola Ullsten, who will be 50 in a few months' time and who still likes to appear in jeans at party functions, has recently only rarely been found behind his desk at

the Foreign Ministry. His position as chairman of the Liberal Party and his efforts in attempting to draft austere programs for the economy together with the two conservatively and agriculturally oriented coalition partners has claimed too much of his time. Would he rather deal with a Social Democratic government partner? Would not an exchange of opinion with Genscher seem called for on this issue as well? Without going into details, Ullsten praises the present Bonn coalition, because it is "good for Germany." As far as Sweden is concerned, however, a government alliance on the German model would not depend on the liberals alone. Ullsten is not open to all sides, however. The Liberal Party chief considers a coalition with the three times stronger conservatives to be "simply impossible."

11949

CSO: 3103

SIRMEN EXAMINES TURKISH-GREEK RELATIONS, NATO

Istanbul CUMHURİYET in Turkish 15 Feb 81 p 3

[Article by Ali Sirmen: "Question of Trust"]

[Text] I talked recently with a British diplomat closely concerned with the Cyprus problem. Like most members of the Foreign Office, the diplomat is a person who knows his stuff and has the ability to look at things from many aspects and show some flexibility in discussing them. The topic shifted from Cyprus to Turkish-Greek relations in general. Almost everyone involved in the conversation agreed that the biggest problem between Turkey and Greece, or the two communities on Cyprus, was the lack of mutual trust.

Indeed, practically none of the problems either on Cyprus or between the two shores of the Aegean, however difficult or whatever the chances of success, can overcome it. And it just makes the others worse. This is the question of trust between the sides.

Doubtless much of the responsibility for eliminating this lack of trust devolves upon the press of the countries and communities involved. As a person aware of this responsibility, we try to do everything we can to approach Turkish-Greek relations positively. Unfortunately, events occasionally reach the point where one can no longer ignore them, but has to lay aside concern about fanning the flames of distrust and take pen in hand.

Is one to gush enthusiastically over the behavior of Greek Foreign Minister Mitsotakis in connection with Athens' relations with the United States when he requested safeguards against Turkey from Washington?

Or what is one to say about Greece's request to attach all aid made to Turkey to a "1 to 10" ratio?

It has been many years since any attack was launched against Greece from Turkey. Indeed, one cannot even say what constitutes an attack.

So what is Greece asking safeguards against, you ask?

Turkey and Greece are partners in the NATO alliance, forming the pact's southeast flank. According to NATO experts, the two sides will work in harmony should the organization go into action. The southeast flank will be able to perform its function in the degree that this harmony is ensured.

This being the case, what does it mean for one within the alliance to say, "If you give my neighbor 10, you have to give me 7"? At best, it means that the side which advances this claim places higher priority on conflict between the two sides than on harmony in the southeast flank.

Does Mr Mitsotakis, since he has long been a staunch supporter of NATO, not agree that 10 instances of aid to Turkey are related to the security of Greece in a real sense and also defend Greece? Especially since a precondition of NATO advocacy is a belief in collective defense.

In fact, Ilter Turkmen has also stressed this fact, pointing out that Mitsotakis' requests are meaningless and unacceptable. It is impossible not to consider Turkmen justified in his criticism of Mitsotakis within the framework of NATO logic.

Nor can one deny that Mitsotakis' recent behavior has once more cast the bright light of day on what is wrong with the recent comments and initiatives of Mr Turkmen, who has placed an extremely optimistic interpretation on the behavior of Athens as to Turkish-Greek relations.

One can only wonder what lies behind all these actions by Greece. Many years' experience and accumulating incidents of recent times have made the answer to the question rather clear.

On the one hand, Greece goes on considering the Aegean its own sea and, on the other, increases measures to solidify this policy. Having armed the Aegean islands in violation of international agreements, Greece is trying to throw up a smoke-screen to draw attention away from this behavior.

Raising a storm within NATO with the "10-7" formula, Athens seems to be using the method of raising new problems, new storms, in order to keep resolution of the Aegean command responsibility areas, which was a condition of Turkey's honoring its return to the military wing of NATO, off the agenda.

In this way, Athens wants to push the problem into the impasse which the French call the "Greek Scheme" and has got the approval in these tactics of every political force from the extreme right to the so-called socialist Pasok.

This being the state of the problem, how can the Turkish press remain silent, in the interest of eliminating the climate of distrust between the two nations, without trampling its own national interests? Yet there is one thing for which we owe our Greek neighbors thanks because of all these actions. As opposed to the efforts from one side of the Atlantic to the other which are trying to focus Ankara's attention on the Gulf, Athens, as though warning us, is shouting:

"Hey! We're over here west of the Aegean keeping an eye on you. Pay attention!"

TURKMEN BLASTS GREEK PROPOSAL ON U.S. AID

Istanbul CUMHURIYET in Turkish 14 Feb 81 pp 1,7

[Text] Ankara, ANATOLIAN AGENCY -- Foreign Minister Ilter Turkmen described the Greek proposal that Turkey and Greece be given a "7/10" ratio of aid as utterly groundless and unnecessary and said, "Nothing can be so absurd as for two nations which cooperate for defense to set such a ratio vis-a-vis each other."

Foreign Minister Turkmen said that Greek Foreign Minister Mitsotakis' recent statement that they had "requested safeguards against Turkey from the United States" would undo the positive atmosphere which had recently been restored between the two nations.

Turkmen pointed out at a press conference today that Greek Foreign Minister Constantinos Mitsotakis had said during the meetings of the NATO council of ministers in Brussels that an announcement would be made in January as to solution of the problems between the two nations and said, "We would have welcomed this announcement until now, we would accept a reasonable delay, but extending this period can contribute nothing to the ability of the two sides to work in an atmosphere of mutual trust to resolve the problems."

Noting that Turkey and Greece obviously have different defense needs, Turkmen said:

"Turkey's position is clear on the Greek proposal that U.S. aid to Turkey and Greece should be at a ratio of 7 and 10. Setting such a ratio is utterly meaningless and unnecessary. Greece has returned to NATO integrated defense.

"This means that Turkey and Greece will be cooperating henceforth in the area of defense. There can be nothing so absurd as for two nations which cooperate for defense to set such a ratio vis-a-vis each other."

8349

CSO: 4907

ULUSU EVALUATES MULTILATERAL FOREIGN POLICY

Istanbul CUMHURİYET in Turkish 29 Jan 81 pp 1,7

[Article by Sedat Ergin]

[Excerpt] Taif -- The third Islamic summit, attended by heads of state and prime ministers representing the 38 member nations of the Third Islamic Conference, ended yesterday with the reading of the Mecca Declaration.

Prime Minister Bulend Ulusu stressed in his general address to the third Islamic summit that Turkey is following a multilateral foreign policy and stated that he saw no conflict or discord between the policy being pursued and the policy of the nonaligned nations. Prime Minister Ulusu pointed out that only the Gulf nations could be responsible for the security of the Gulf region.

Beginning his statement by indicating the importance Turkey ascribes to the Islamic Conference, Ulusu spoke of the Turks' contributions to Islam. He remarked on the summit's coinciding with a time when important developments were taking place in the region and the world and noted that the moderating process on which peace depends was harmed by one-sided behavior. "Under these circumstances and especially in view of the absence of any collective security system, international peace and security depend at bottom on the balance of power," he said.

Turkey and Nonaligned Nations

In explaining Turkey's attitude, Prime Minister Ulusu said, "Its geopolitical situation has pushed Turkey into joining a multilateral defense arrangement with other nations," adding that Turkey nevertheless strongly supports the policy of moderation and has developed friendship and cooperation with its northern neighbor." Meanwhile, Turkey is actively engaged in efforts with other nations toward developing North-South dialogue for the establishment of a more equitable international economic order, Ulusu pointed out.

"This multidimensional policy of Turkey's is a logical result of its geographical situation, its level of economic development and its commitment to peace and to cooperation with all nations," Ulusu said, continuing as follows:

"With this approach, the Turkish government accepts and appreciates the valuable contributions to international peace and security of the nonaligned movement. It sees no discord or conflict between the policy it pursues itself and the policy

which the nonaligned nations pursue, and encounters no difficulty in promoting cooperation with the nonaligned nations in the Islamic Conference and other international forums."

Iran-Iraq War

Speaking of the Iran-Iraq war, Uluşu said that Turkey was deeply concerned about the armed conflict which had led to bloodshed and great destruction between its two neighbors, that it advocated full neutrality and that continuous efforts must be made to bring peace between the two nations. Uluşu stated that Turkey was always ready to contribute to this in any way possible.

Uluşu stressed that a peaceful solution in this area could be achieved through cooperation within a framework to serve the reciprocal basic interests of the two sides and called upon the Islamic Conference to define the bases on which possible approaches must rest.

Afghanistan Problem

Pointing out that Turkey was concerned that Afghanistan should be suffering a foreign military intervention, Uluşu said that he wished to express in particular the desire that unified effort continue to be shown in a decisive way for a political solution to grant the people of Afghanistan the right to determine their own future and to ensure the withdrawal of all foreign forces and expressed the hope that the latest consultations and contacts in this regard would be successful.

Bulend Uluşu, also addressing the Middle East and Palestine problem, noted that Israel's intransigence and fait accompli policy had not only aroused indignation in the Islamic world, but was gradually pushing this nation into increasing isolation in the world. He added that the heart of the problem consisted of the Palestinian people's being granted their inalienable rights, including the right to establish a state, and that there seemed to be no progress as yet in this regard.

Need for Economic Cooperation

Uluşu also spoke at length on the need for strengthening economic cooperation among the Islamic nations, explaining the need for consultation within the Islamic Conference to be directed equally towards an economic cooperation, and pointed out that the Islamic Development Bank was a useful means to this end. Uluşu added that the action plan adopted at the Ankara meeting would serve the interests of all members and that he hoped the other economic resolutions which they had approved would be placed into effect also.

Uluşu said the following, in summary:

"Today the Islamic world has turned toward strengthening its unity and expanding cooperation. We are facing problems which come both from without and within. I do not believe that any one of them is insuperable. The ties which bind us together are stronger than the differences of opinion among us. We have the potential to resolve the problems together, whatever they may be."

8349

CSO: 4907

EVREN VIEWED AS THREAT TO PEOPLE

Huddinge ROJA NU in Turkish Jan-Feb 81 pp 1,7

[Text] Kenan Evren just added something new to his tours. Everywhere he went, he made so-called "public addresses." But these speeches were filled with threats from start to finish.

The junta chief's first stop was Konya. Since the National Salvation Party is strong in this province, Evren took the mass rank and file of this party as his primary target. He made frequent references to laicism. For some reason, the junta generals cannot bring themselves to speak to the Nationalist Action Party, which basically exploits religion, but always threaten the poor people as if on behalf of laicism.

Evren went to Adana next. Adana is a province where capitalism is strong and the accompanying exploitation of natural wealth is intensive. Class conflicts are pretty sharp and the masses are smart. The general told his "labor-management peace" stories. He likes to say, "Management and labor will respect each other's rights."

For years, the bourgeoisie and its spokesmen have been telling this kind of "brotherhood" stories. But that brotherhood can never be ensured. How should it be, with the exploiter and oppressor on one side and the exploited and oppressed on the other? The threats slipped in under the guise of "brotherhood" all work to serve the bosses. The workers are seeing their situation more clearly in the last few years. The martial law commanders constantly used words like "law" and "labor peace." But tens of thousands of proletarians were thrown in jail, thousands were tortured. And finally union activities were ended and the workers were left weaponless before the bosses. Why have the generals who launched such an attack on the proletariat not laid a finger on any businessman? A simple example: The Adana martial law commander had thousands of workers and intellectuals arrested and punished for having "banned publications." In contrast, one wonders whether a single boss, not just in Adana but in all of Turkey, has been touched for having a "banned book." Of course not.

Kenan Evren champions so-called workers' rights in order to hide the crime he committed by stopping union activities. He accused DISK [Confederation of Revolutionary Worker Unions] without naming it and said that this union had built a luxurious building in Ankara. First it is necessary to point out that oversight of union